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FEDERAL REGISTER

VOLUME 25 NUMBER 75

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Announcement

CFR SUPPLEMENTS

(As of January 1, 1960)

The following Supplements are now available:

Title 33	**$1.75**
Title 43	**1.00**
Title 46, Parts 1–145	**1.00**
Title 47, Parts 1–29	**1.00**
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Previously announced: Title 3 ($0.60); Titles 4–5 ($1.00); Title 7, Parts 1–50 ($0.45); Parts 51–52 ($0.45); Parts 53–209 ($0.40); Title 8 ($0.40); Title 9 ($0.35); Titles 10–13 ($0.50); Title 18 ($0.55); Title 20 ($1.25); Titles 22–23 ($0.45); Title 25 ($0.45); Title 26 (1939), Parts 1–79 ($0.40); Parts 80–169 ($0.35); Parts 170–182 ($0.35); Parts 300 to End ($0.40); Title 26, Part 1 (§§ 1.01–1.499) ($1.75); Parts 1 (§ 1.500 to End)–19 ($2.25); Parts 20–169 ($1.75); Parts 170–221 ($2.25); Part 300 to End ($1.25); Titles 28–29 ($1.75); Titles 30–31 ($0.50); Title 32, Parts 700–799 ($1.00); Parts 800–999, Revised ($3.75); Part 1100 to End ($0.60); Title 36, Revised ($3.00); Title 38 ($1.00); Title 46, Parts 146–149, Revised ($6.00); Part 150 to End ($0.65); Title 49, Parts 1–70 ($1.75); Parts 91–164 ($0.45); Part 165 to End ($1.00).

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Title 15—COMMERCE AND FOREIGN TRADE

Chapter III—Bureau of Foreign Commerce, Department of Commerce

SUBCHAPTER B—EXPORT REGULATIONS

[9th General Rev. of Export Regs., Amdt. 32 [1]]

PART 371—GENERAL LICENSES

PART 373—LICENSING POLICIES AND RELATED SPECIAL PROVISIONS

PART 376—PERIODIC REQUIREMENTS (PRL) LICENSE

PART 379—EXPORT CLEARANCE AND DESTINATION CONTROL

PART 380—AMENDMENTS, EXTENSIONS, TRANSFERS

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Miscellaneous Amendments

§ 371.13 [Amendment]

1. Section 371.13 *General Licenses SHIP STORES, PLANE STORES, CREW and REGISTERED CARRIER STORES,* paragraph (c) *General License CREW* is amended to read as follows:

(c) *General License CREW.* A general license designated CREW is hereby established, authorizing a member of the crew on an exporting carrier to export among his effects the following classes of commodities:

(1) *Personal effects.* Usual and reasonable kinds and quantities of wearing apparel, articles of personal adornment, toilet articles, medicinal supplies, food, souvenirs, games, and similar personal effects and their containers.

(2) *Household effects.* Usual and reasonable kinds and quantities of furniture, household effects, household furnishings, and their containers.

Provided, That the personal and household effects indicated in this paragraph shall include only such articles as are owned by such crew member; intended, necessary, and appropriate for his use or that of his immediate family; shall be in his possession at the time of his departure from the United States for a foreign country; not intended for resale; not exported under a Bill of Lading as cargo; and not exported to Communist China, North Korea, or the Communist-controlled area of Viet-Nam.

§ 371.11 [Amendment]

2. Note 1 *Commodities for sale* following § 371.11(c) is amended to read as follows:

1. *Commodities for sale.* Commodities exported for sale, even though carried in the baggage with the tools of a traveler, or by a crew member, may not be exported under either General License BAGGAGE, TOOLS OF TRADE, or CREW. Commodities exported for sale must be declared as a commercial shipment and may be exported only under a validated export license or under a general license applicable to such commercial shipments.

§ 373.70 [Amendment]

3. Section 373.70 *Yugoslavia* is amended by adding the following paragraph (f) to read as follows:

(f) *Submission of Delivery Verification*—(1) *Notification of requirement.* (i) The licensee may be requested by the Bureau of Foreign Commerce to submit a Delivery Verification with respect to any commodities exported under a validated license to Yugoslavia, including exemptions and exceptions granted under the provisions of paragraphs (b) and (d) of this section. Where a Delivery Verification is required, the face of the export license will bear the stamped words "Delivery Verification Required, see attached Form FC–863." In addition, Notification of Delivery Verification Requirement, Form FC–863, will be attached to the license. Where a Form FC–863 is attached to a license forwarded by the Bureau of Foreign Commerce to an agent or freight forwarder of the licensee, it shall be the responsibility of such agent or freight forwarder to notify the licensee that a Delivery Verification is required.

(ii) The requirement that a Delivery Verification be submitted for a particular export transaction is cancelled automatically if subsequent to the issuance of a license, the commodity is deleted from the Positive List, and the exporter returns the original copy of Form FC–863 to the Bureau of Foreign Commerce with a statement that the commodity has been deleted from the Positive List.

(2) *Submission to the Bureau of Foreign Commerce.* When notified to do so by the Bureau of Foreign Commerce, any person issued a license covering a shipment within the scope of this section shall:

(i) Transmit to the foreign importer a written request for delivery verification at the time of making each shipment under the license (whenever possible, this request shall be submitted together with the related Bill of Lading or Air Waybill). The request shall include the number of the End-Use Certificate for the particular transaction which is referred to in the Notification of Delivery Verification Requirement, Form FC–863. In addition, the request shall also notify the foreign importer that this same End-Use Certificate number should be shown on the Delivery Verification;

(ii) Obtain from the named importer a Delivery Verification which has been issued to the importer by his government covering the commodities described on the particular export license, or so much thereof (when complete shipment against the license will not be made) as the licensee will have shipped; and

(iii) Send the original copy of the Delivery Verification to the Bureau of Foreign Commerce within a reasonable time after clearance of the last exportation made under the license. If a Delivery Verification is required with respect to commodities covered by a license and the licensee makes partial shipment against the license, the licensee shall obtain a Delivery Verification for each partial shipment and retain it in his files until all Delivery Verifications respecting shipments against the license have been received by him. The licensee shall then send the original copies of all such Delivery Verifications to the Bureau of Foreign Commerce in one parcel.

(3) *Inability to obtain a Delivery Verification.* If an exporter is unable to obtain the required Delivery Verification from his importer, he shall promptly notify the Bureau of Foreign Commerce, and upon request, make available to the Bureau of Foreign Commerce all information and records, including correspondence regarding his attempt to obtain the Delivery Verification.

NOTE: 1. *Coded terms and translation requirements.* See paragraph (a)(3) of this section.

2. *End-Use Certificates and Delivery Verifications.* Foreign consignees may obtain these certificates from Yugoslav Federal Chamber of Foreign Commerce, Mose Pijade 12, Belgrade.

4. Part 376, Periodic Requirements (PRL) License, is amended to read as follows:

Sec.

AUTHORITY: §§ 376.1 to 376.20 issued under sec. 3, 63 Stat. 7; 50 U.S.C. App. 2023. E.O. 9630, 10 F.R. 12245, 3 CFR, 1945 Supp., E.O. 9919, 13 F.R. 59, 3 CFR, 1948 Supp.

§ 376.1 Periodic Requirements (PRL) License.

This part establishes a procedure for obtaining a Periodic Requirements

[1] This amendment was published in Current Export Bulletin 831, dated April 1, 1960.

(PRL) License which authorizes the exportation of the licensed commodity or commodities to one or more ultimate consignees in a single country of destination for a period of one year from issuance of the license. The Periodic Requirements licensing procedure is applicable to all destinations except Hong Kong, Macao, Poland (including Danzig) or any Subgroup A destination. An application may cover as much as six-months estimated requirements of the named consignee for the commodities included in the application.

§ 376.2 Commodities subject to PRL License.

The commodities for which the issuance of a PRL License will be considered are identified on the Positive List by the symbol "E" and are listed by PRL Commodity Groups in § 376.20; Supplement 1. For purposes of qualification for a PRL License, these commodities are considered by PRL Commodity Groups. A PRL Commodity Group is defined as all commodities listed under the same Commodity Group symbol. This symbol consists of the letter "E" followed by a number, e.g., "E–1," "E–2," "E–3," etc.

§ 376.3 Consideration of applications.

(a) *Qualification for PRL License—(1) Applicant-consignee relationship.* The applicant shall have had the following business and export relationship with the consignee:

(i) He shall have had a business relationship with each ultimate consignee named on the application for a period of two years immediately preceding the date of filing the application. For example, if the application is filed on April 1, 1960, this relationship must have existed during the years April 1, 1959 through March 31, 1960, and April 1, 1958 through March 31, 1959.

(ii) During the two year period he shall have exported a minimum of $2,000.00 in value of commodities included in each PRL Commodity Group covered by the application to each consignee named thereon.

(2) *Records and record keeping.* An applicant for a PRL License shall have in his possession, at the time the application is filed, documentary evidence of the existence of the relationship with each ultimate consignee, as described in subparagraph (1) of this paragraph. The documents or records shall be retained by the applicant for three years from the date of receipt of the application in the Bureau of Foreign Commerce, as shown on the Acknowledgment Card, Form FC–116, and shall be kept available for inspection, upon demand, by the Bureau of Foreign Commerce.

(b) *Quantity applied for.* An application in a total value of less than $2,000 generally will not be considered under the PRL licensing procedure. Where shipments are expected to be less than $2,000, the applicant should apply for one of the other types of export licenses.

(c) *Waiver of order requirements.* An applicant for a PRL License is not required to hold an export order from the foreign consignee or purchaser for the commodities subject to this procedure. The provisions of § 372.4(f) of this chapter relating to export orders are, therefore, waived with respect to applications for PRL Licenses.

§ 376.4 Application requirements.

(a) *How to prepare a PRL License application—(1) General.* An application for a PRL License shall include only one country of ultimate destination. More than one commodity may be included on a single application, provided the commodities are listed on the Positive List of Commodities (§ 399.1 of this chapter) with the same processing code and the same related commodity group number (see § 372.5(f) of this chapter). Exportations to more than one consignee within the same country of destination may also be included in a single application. If more than one consignee is included on the application, the applicant shall attach a list, in duplicate, of the names and addresses of the proposed consignees, and state in the ultimate consignee space, "See attached list of consignees."

(2) *Identification of PRL application.* Enter the words "Periodic Requirements License" across the top of the Form FC–419, immediately above the printed words "United States of America."

(3) *Quantity and value.* (1) The quantity applied for shall not exceed the estimated six-months requirements of the named consignees for the commodities included in the application.

(ii) The total quantity and value for each commodity shall be shown, but a breakdown of quantity and value among consignees is not required. If no unit of quantity is indicated in the Positive List for the particular Schedule B number(s), then only value need be given on the application.

(4) *Certification.* The following certification shall be inserted on each application for a PRL License in the space entitled "Additional Information" or on an attachment thereto:

This is to certify that (I) (we) have had a business relationship with (the) (each) ultimate consignee named on this application extending over the two-year period immediately preceding the date of submission of this application and, during this two-year period, (I) (we) exported to (the) (each) named consignee commodities included in PRL Commodity Group(s) E ------, in a value totaling at least $2,000 for (the) (each) PRL Commodity Group(s).

NOTE: The PRL Commodity Group symbols inserted in the above certification must cover each commodity set forth on the application. For example, if the application covers the exportation of liquid latex "S" type cold rubber, Schedule B No. 20051, and aircraft tires, Schedule B No. 20630, the certification entered on the application must include PRL Commodity Groups E–1 and E–2 since the liquid latex is in PRL Commodity Group E–1 and the aircraft tires are in PRL Commodity Group E–2 (see § 376.20; Supplement 1, for listing of PRL Commodity Groups).

(b) *Processing of application.* If the Bureau of Foreign Commerce finds that it will require an extended period of time to process a PRL License application because of the necessity for prolonged consideration of one or more proposed ultimate consignees, a PRL License will be issued excluding such consignee or consignees. By this method, undue delay will be avoided in processing the application. The Bureau of Foreign Commerce in such instances will notify the applicant that an individual license application may be submitted to cover each excluded consignee.

§ 376.5 Issuance of licenses.

(a) *Form of issuance.* PRL Licenses will be issued on Form FC–628 (Export License), and will bear the identifying words "Periodic Requirements License" below the validation stamp. The list of approved ultimate consignees submitted in accordance with § 376.4(a)(1) will be attached to and will become part of the license.

(b) *Validity period.* The validity period of a PRL License will be for a period of one year from issuance of the license, and the effective dates of validity will be indicated on Form FC–628.

§ 376.6 Export clearance.

(a) *Presentation of license to Customs.* The PRL License shall be deposited with the Collector of Customs at the port of exit through which the largest number of shipments thereunder will move.

(b) *Shipment through another port.* Upon request of the licensee, Collectors may authorize movement of the commodities from another port in accordance with the procedure established in § 379.2(e) of this chapter.

(c) *Shipments by mail.* Shipments may be made by mail, without the necessity of obtaining additional licenses to effect such shipments, in accordance with the procedure described in § 379.1 (b) of this chapter.

§ 376.7 Amendment of license.

If the amount licensed under a PRL License proves insufficient to meet an exporter's requirements for any country, he may request an increase in the quantity authorized for export under such license. This should be done by requesting amendments of the appropriate PRL License on Request for and Notice of Amendment Action, Form IT– or FC–763, in accordance with the provisions of § 380.2 of this chapter. Amendments of a PRL License involving extension of the validity period will not be granted.

§ 376.8 Application for other validated license.

An exporter holding a PRL License shall not apply for, nor will the Bureau of Foreign Commerce issue to him, any other type of validated license for any transaction involving a commodity and consignee covered by such PRL License.

§ 376.9 Effect of other provisions.

Insofar as consistent with the provisions of this part, all of the provisions of the export regulations shall apply equally to applications for and licenses issued under this part.

§ 376.20 Supplement 1; PRL Commodity Groups.

The following PRL Commodity Groups are established for the purpose of applying for Periodic Requirements Licenses:

Dept. of Commerce Schedule B No.	Commodity description
	GROUP E-1—RUBBER PRODUCTS
20051	Latex (liquid), "S"-type, cold rubber only.
20053	"S"-type, except latex (liquid), cold rubber only.
20098	Alkyl polysulfide rubbers, except liquid polymers.
20098	Copolymers of methyl vinyl-pyridine and butadiene.
20098	Silicone rubber, except fluorinated silicone.
20105	Cold "S"-type black masterbatch.
20105	Other silicone rubber compounds, except fluorinated silicone rubber compounds.
20840	Silicone rubber insulating tape.
20891	Molded braided silicone hose.
20931	Silicone rubber sheet packing.
20932	Silicone rubber packing, except sheets.
20998	Silicone rubber manufactures, n.e.c.
	GROUP E-2—AIRCRAFT
20630	Aircraft tires, new or used.
20656	Aircraft inner tubes, new or used.
70921	Starting, lighting and ignition equipment, n.e.c., aircraft type, and specially fabricated parts and accessories, n.e.c.
76910	Ball bearings, aircraft type, except those having tolerance of standard ABEC 5, or closer, based on standards as adopted by the Anti-Friction Bearing Manufacturers' Association.
76910	Outer rings, inner rings, retainers and subassemblies usable for aircraft type ball bearings not having tolerance of ABEC 5 or closer.
76920	Roller bearings, aircraft type, except: (a) cylindrical roller bearings having tolerances of standard RBEC 5 or closer based on standards as adopted by the Anti-Friction Bearing Manufacturers' Association, or (b) tapered, spherical or thrust roller bearings with inner bore diameters above 400 millimeters.
76920	Outer rings, inner rings, retainers and subassemblies usable for aircraft type roller bearings, except cylindrical bearings having tolerances of standard RBEC 5 or closer, or (b) tapered, spherical, or thrust bearings with inner bore diameters above 400 millimeters.
76933	Balls usable for aircraft type ball bearings not having tolerance of ABEC 5 or closer.
76935	Rollers usable for aircraft type roller bearings, except cylindrical bearings having tolerances of standard RBEC 5 or closer, or (b) tapered, spherical, or thrust bearings with inner bore diameters above 400 millimeters.
79337	Cargo transports, military, new and used, without armament, the following models only: C-46, C-47, and C-54.
79353	Passenger transports, military, new and used, without armament, 15,000 lbs. and over but less than 30,000 lbs. empty weight, the following model only: C-47.
79355	Passenger transports, military, new and used, without armament, 30,000 lbs. and over empty weight, the following models only: C-46 and C-54.
79361	Passenger transports, civil, new, 3,000 lbs. and over but less than 15,000 lbs. empty weight.
79363	Passenger transports, civil, new, 15,000 lbs. and over but less than 30,000 lbs. empty weight.
79365	Passenger transports, civil, new, 90,000 lbs. and over empty weight, of types and models which have been in normal civil use for 2 years or less.
79365	Other passenger transports, civil, new, 30,000 lbs. and over empty weight.
79367	Rotary-wing aircraft, civil, new, 3,000 lbs. and over empty weight.
79369	Civil aircraft, used or rebuilt, except demilitarized 90,000 lbs. and over empty weight, of types and models which have been in normal civil use for 2 years or less.
79369	Other civil aircraft, used or rebuilt, except demilitarized, 3,000 lbs. and over empty weight.
79371	Utility, personal, and liaison aircraft, civil, new, three places and under.
79373	Utility, personal, and liaison aircraft, civil, new, four places and over.
79375	Rotary-wing aircraft, civil, new, under 3,000 lbs. empty weight.
79377	Civil aircrft, aused or rebuilt, except demilitarized under 3,000 lbs. empty weight.
79379	Civil aircraft, new, n.e.c., 90,000 lbs. and over empty weight, of types and models which have been in normal civil use for 2 years or less.
79379	Other civil aircraft, new, n.e.c.
79381	Propeller assemblies, complete.
79389	Parts and accessories, n.e.c., specially fabricated for propellers.
	Aircraft engines, including quick change units:
79440	Reciprocating, liquid-cooled, new (all sizes).
79460	Reciprocating, air-cooled, new, under 400 horsepower.
	GROUP E-2—AIRCRAFT—continued
	Aircraft engines, etc.—Continued
79461	Reciprocating, air-cooled, new, 400 horsepower and over but less than 1,000 horsepower.
79464	Reciprocating, air-cooled, new, 1,000 horsepower and over but less than 2,500 horsepower.
79466	Reciprocating, air-cooled, new, 2,500 horsepower and over.
79468	Reciprocating (liquid and air-cooled, all sizes), used and rebuilt.
79470	Turbo-jets, new and used, 9,000 lbs. thrust and over.
79470	Turbo-jets, new and used, under 9,000 lbs. thrust.
79470	Gas-turbines (including prop jets), new and used.
79472	Jet types, n.e.c. (including rocket), new and used, 9,000 lbs. thrust and over.
79472	Jet types, n.e.c. (including rocket), new and used, under 9,000 lbs. thrust.
79476	Parts and accessories, n.e.c., specially fabricated for aircraft engines of 9,000 lbs. thrust and over.
79476	Parts and accessories, n.e.c., specially fabricated for other aircraft engines.
79483	Aircraft flight instruments included on the Positive List, and specially fabricated parts and accessories, n.e.c., except integrated flight instrument systems, including gyro-stabilizers and automatic pilots; and specially fabricated parts and accessories therefor.
79485	Aircraft engine instruments included on the Positive List, and specially fabricated parts and accessories therefor.
79487	Aircraft landing gear assemblies included on the Positive List, and specially fabricated parts and accessories therefor.
79489	Parts and accessories, n.e.c., specially fabricated for aircraft included on the Positive List.
79496	Aircraft landing mats.
	GROUP E-3—PLASTICS
38418	Filament yarns and monofilaments wholly made of polytetrafluoroethylene (e.g., Teflon).
38432	Staple and tow wholly made of polytetrafluoroethylene (e.g., Teflon).
38472	Broad woven fabrics wholly made of polytetrafluoroethylene (e.g., Teflon).
38482	Narrow woven fabrics wholly made of polytetrafluoroethylene (e.g., Teflon).
	Synthetic resins in all unfinished and semi-finished forms, except laminated, and except film and sheeting, but including scrap in all forms:
82591	Polytetrafluoroethylene (e.g., Teflon).
82591	Polytrifluorochloroethylene (including grease, oil and wax).
82591	Diorgano siloxanes capable of being polymerized to rubbery products.
	Synthetic resin film and sheeting, except laminated, and except scrap (including printed, embossed, planished, or otherwise treated surface):
82598	Oriented polystyrene film, 0.01 inch or less in thickness.
82598	Polytetrafluoroethylene (e.g., Teflon).
82598	Polytrifluorochlorethylene.
82598	Polyvinyl butyral.
82598	Synthetic film suitable for dielectric use (condenser tissue); 0.0015 inch (0.038 mm.) or less in thickness.
	Laminates and molded laminates, synthetic resins, except scrap:
	Laminates of synthetic resins, except molded and decorative:
82600	Polytetrafluoroethylene (e.g., Teflon).
82600	Polytrifluorochloroethylene.
	Molded-laminated shapes of synthetic resins, except decorative:
82604	Polytetrafluoroethylene (e.g., Teflon).
82604	Polytrifluorochloroethylene.
	Decorative laminates of synthetic resins:
82610	Polytetrafluoroethylene (e.g., Teflon).
82610	Polytrifluorochloroethylene.
82670	Cellulose acetate film suitable for dielectric use, 0.0015 inch (0.038 mm.) or less in thickness.
82740	Teflon paste.
84380	Polytetrafluoroethylene (e.g., Teflon) finishes and enamels.
84380	Polytrifluorochloroethylene dispersion.
98159	Manufactures of polytetrafluoroethylene (e.g., Teflon).
98159	Manufactures of polytrifluorochloroethylene.
	GROUP E-4—PETROLEUM PRODUCTS
50150	Gasoline blending agents as follows: alkylates (aviation grade); isopentane; and neohexane.
50161	Aviation gasoline: 100 octane number and over.
50180	Jet fuels, all types (including high energy fuels with not less than 23,400 B.t.u. per pound).
	GROUP E-4—PETROLEUM PRODUCTS—continued
50325	White mineral oil in containers of 42-gallon capacity or over, except medicinal grade.
50330	Red and pale oils.
50340	Black oils (including all black and dark green oils, except those intended for use in steam cylinders, for which see 50351 and 50352).
50351	Cylinder bright stock (including bright stock and industrial lubricating oils which are predominantly bright stock and have a Saybolt Universal Viscosity at 210° F. of 95 seconds or more).
50352	Cylinder steam-refined stocks (including cylinder stock, steam cylinder oil, gear, and other lubricating oils consisting principally of such stock).
50380	Insulating or transformer oils, except polybutene.
50391	Diesel engine lubricating oils.
50392	Turbine engine lubricating oil.
50394	Other industrial engine lubricating oil.
50399	Industrial lubricating oils, n.e.c.
50400	Aviation engine lubricating oils, synthetic (ester type) which are or contain: (a) esters of dibasic saturated aliphatic acids combined with saturated aliphatic monohydric alcohols, where both of the two constituents contain six or more carbon atoms; and/or (b) esters of dibasic saturated aliphatic acids combined with polyglycols, when one or both of the two constituents contain six or more carbon atoms; (c) all fluorinated alcohol esters.
50400	Aviation engine lubricating oil, petroleum based.
50403	Automotive engine lubricating oils.
50405	Automotive gear oils.
50407	Lubricating oils, n.e.c., included on the Positive List under this Schedule B number.
50408	Cutting oils and compounds, petroleum base.
50410	Synthetic lubricating greases (ester type) which are, or contain: (a) esters of dibasic saturated aliphatic acids combined with saturated aliphatic monohydric alcohols, where both of the two constituents contain six or more carbon atoms; and/or (b) esters of dibasic saturated aliphatic acids combined with polyglycols, when one or both of the constituents contain six or more carbon atoms; (c) all fluorinated alcohol esters.
50410	Other lubricating greases (petroleum base).
50590	Hydraulic or automatic transmission fluids, petroleum based, having all the following characteristics: (a) kinematic viscosity of 4.6 centistokes or greater at 210° F.; (b) pour point of minus 30° F. or lower; and (c) viscosity index (VI) of 130 or higher.
54809	Graphite greases and lubricants, petroleum base.
82979	Additives for lubricating oils.
	GROUP E-5—REFRACTORIES
53620	Magnesite brick and similar shapes composed of 97 percent or more by weight of magnesium oxide.
53681	Firebrick and similar firebrick shapes, composed of 97 percent or more by weight of beryllium oxide or zirconium oxide, or composed of zirconium oxide stabilized with lime and/or magnesium oxide.
53683	High-temperature refractory cements or bonding mortars composed of 97 percent or more by weight of beryllium oxide, magnesium oxide, or zirconium oxide, or composed of zirconium oxide stabilized with lime and/or magnesium oxide.
53685	Plastic refractories (including plastic firebrick and ramming mixtures) composed of 97 percent or more by weight of beryllium oxide, magnesium oxide, or zirconium oxide, or composed of zirconium oxide stabilized with lime and/or magnesium oxide.
53689	Refractories, n.e.c., composed of 97 percent or more by weight of beryllium oxide, magnesium oxide, or zirconium oxide, or composed of zirconium oxide stabilized with lime and/or magnesium oxide.
57227	Magnesia cement composed of 97 percent or more by weight of magnesium oxide.
	GROUP E-6—ELECTRICAL MACHINERY AND APPARATUS
54740	Brush stock, artificial graphite, smallest dimension 2 inches or over, and having a boron content of one part per million or less.
54740	Other brush stock, artificial graphite, smallest dimension 2 inches or over.
54780	Lighting carbons, artificial graphite, smallest dimension 2 inches or over, and having a boron content of one part per million or less.
54780	Other lighting carbons, artificial graphite, smallest dimension 2 inches or over.

Dept. of Commerce Schedule B No.	Commodity description
	GROUP E-6—ELECTRICAL MACHINERY AND APPARATUS—continued
70015	Parts and accessories, n.e.c., specially fabricated for mobile generators, 5,000 kilowatts and over.
70015	Parts and accessories, n.e.c., specially fabricated for generators 200,000 kilowatts and over.
70415	Electric motors, 1 up to and including 20 horsepower, specially designed for metal rolling mills included on the Positive List under Schedule B No. 74480.
70425	Electric motors, over 20, up to and including 200 horsepower, specially designed for metal rolling mills included on the Positive List under Schedule B No. 74480.
70432	Parts and accessories, n.e.c., specially fabricated for motors included on the Positive List under Schedule B Nos. 70415, 70425, and 70430.
70495	Special-purpose controls, and specially fabricated parts, n.e.c., for motors included on the Positive List under Schedule B Nos. 70415 and 70425 only.
70498	Accessory equipment, n.e.c., specially fabricated for controls for motors included on the Positive List under Schedule B Nos. 70415 and 70425 only for which a validated license is required to R country destinations only.
70659	Single coil tungsten filaments.
70999	Parts and accessories, n.e.c., specially fabricated for belt-type electrostatic generators (Van de Graaff machines).
	GROUP E-7—METALS AND MINERALS, CRUDE AND SEMIFINISHED
60172	Ingots, alloy steel, including stainless, special types only.[1]
60178	Billets, blooms, slabs, and sheet bars, alloy steel, including stainless, special types only.[1]
60181	Tube rounds, alloy steel, including stainless, special types only.[1]
60185	Skelp, alloy steel, including stainless, special types only.[1]
61974	Beryllium metal powders and beryllium alloy metal powders (except beryllium copper), containing more than 50 percent beryllium by weight.
61978	Molybdenum and molybdenum alloy metal powders.
61980	Tantalum metal powders.
61987	Boron and mixtures of metal powders containing 10 percent or more boron.
61987	Cobalt metal powders.
61987	Cobalt, alloy metal powder, special types only.[2]
61987	Columbium metal powders.
61987	Nickel powder; and nickel alloy powder and flakes (including nickel-chrome-boron powder) containing 32 percent or more nickel, except nickel-copper alloy powder and flakes containing not more than 6 percent of other alloying elements.
61987	Titanium metal powders.
61987	Yttrium powder.
61987	Zirconium metal powders, and zirconium alloy metal powders containing more than 50 percent zirconium by weight.
62230	Ferromolybdenum.
62290	Ferroboron.
62290	Ferrocolumbium.
62290	Ferrocolumbium-tantalum.
62290	Ferrotantalum.
62290	Ferrozirconium, containing more than 50 percent zirconium in which the ratio of hafnium content to zirconium content is less than 1 part to 500 parts by weight.
62290	Other ferrozirconium, containing more than 50 percent zirconium.
64010	Copper ores, concentrates, matte, and other unrefined copper.
64120	Refined copper in cathodes, billets, ingots, wire bars and other crude forms, except copperweld rods for drawing.
64410	Copper-base alloy ingots and other crude forms.
65455	Nickel ore, concentrates, and matte.
66407	Beryllium ores and concentrates.
66429	Cobalt ores and concentrates (including red and white alloys).
66433	Columbium or niobium ores and concentrates.
66449	Molybdenum ores and concentrates.
66461	Molybdenum metal and alloys in crude form (include metal alloys in which molybdenum is the metal of chief value), except scrap.
66469	Tantalum ores and concentrates.
66475	Quicksilver or mercury.
66530	Lithium ores (e.g., lepidolite), and lithium ore concentrates.
66540	Boron metal, and alloys containing 10 percent or more boron, all forms (including grains and mixtures containing 10 percent or more boron).

See footnotes at end of table.

Dept. of Commerce Schedule B No.	Commodity description
	GROUP E-7—METALS AND MINERALS, CRUDE AND SEMIFINISHED—con.
66540	Columbium (niobium) bearing slag.
66540	Crystalline silicon (silicon metal) containing 99.9 percent silicon or over.
66540	Gallium metal.
66540	Germanium metal having a resistivity of 50 ohms centimeter or greater.
66540	Hafnium metal.
66540	Lithium metals and alloys.
66540	Polonium metal.
66540	Tantalum bearing slag.
66540	Yttrium metal and alloys.
	GROUP E-8—METALS AND MINERALS—MILL PRODUCTS AND MANUFACTURED PRODUCTS
54114	Boron carbide, crude and in grains.
54114	Cubic boron nitride.
54730	Electrodes for furnace or electrolytic work, artificial graphite, smallest dimension 2 inches or over, having a boron content of one part per million or less.
54730	Other electrodes for furnace or electrolytic work, artificial graphite, smallest dimension 2 inches or over.
54809	Artificial graphite products included on the Positive List under this Schedule B No., except graphite greases and lubricants, petroleum base.
57227	Magnesium oxide, purity 97 percent or higher, except precipitated.
59645	Lithium-containing minerals (e.g., amblygonite, spodumene).
60187	Wire rods, alloy steel, including stainless, special types only.[1]
60220	Alloy steel bars, hot-rolled, except stainless, special types only,[1] except projectile and shell steel.
60230	Stainless steel bars, hot-rolled, special types only.[1]
60255	Alloy steel bars, cold-finished, except stainless, special types only.[1]
60260	Stainless steel bars, cold-finished, special types only.[1]
60270	Tool steel bars, alloy steel, special types only.[1]
60315	Alloy steel sheets, hot-rolled, except stainless steel, special types only.[1]
60320	Stainless steel sheets, hot-rolled, special types only.[1]
60330	Alloy steel sheets, cold-rolled, except stainless steel, special types only.[1]
60335	Stainless steel sheets, cold-rolled, special types only.[1]
60355	Electrical (silicon) steel sheets and strip with a core loss of 0.45 watts per pound at 13,000 gausses and 50 cycles per second or less, or with a thickness of 0.0004 inch or less.
60365	Carbon steel strip, hot-rolled, gilding metal clad.
60370	Alloy steel strip, hot-rolled (except stainless steel), special types only.[1]
60380	Stainless steel strip, hot-rolled, special types only.[1]
60382	Carbon steel strip, cold-rolled, gilding metal clad.
60386	Alloy steel strip, cold-rolled (except stainless steel), special types only.[1]
60390	Stainless steel strip, cold-rolled, special types only.[1]
60627	Seamless line pipe, carbon and alloy steel, over 24 inches O.D.
60630	Welded line pipe, carbon and alloy steel, over 24 inches O.D.
60640	Mechanical tubing, alloy steel (except stainless), special types only.[1]
60650	Seamless pressure tubes and tubing, special types only.[1]
60660	Welded pressure tubes and tubing, alloy steel, special types only.[1]
60665	Pipe and tubing, stainless steel, special types only.[1]
60680	Alloy steel pipe and tubing included on the Positive List under this Schedule B number.
60715	Alloy steel plates (except stainless), special types only.[1]
60720	Stainless steel plates (including stainless-clad plates), special types only.[1]
60735	Alloy steel (including stainless) structural shapes, not fabricated, special types only.[1]
60813	Uncoated alloy steel wire (except stainless), special types only.[1]
60815	Uncoated stainless steel wire, special types only.[1]
60821	Coated wire, steel chief value (except galvanized or insulated), special types only.[1]
61050	Alloy steel castings (except stainless), special types only.[1]
61055	Stainless steel castings, special types only,[1] except grinding balls.
61065	Forgings, alloy steel (including stainless), special types only,[1] except grinding balls.
61869	Perforated sheets, alloy steel, including stainless, special types only.[1]

Dept. of Commerce Schedule B No.	Commodity description
	GROUP E-8—METALS AND MINERALS—MILL PRODUCTS AND MANUFACTURED PRODUCTS—continued
61881	Steel pipe, lined or covered with polytetrafluorocthylene or polytrifluorochlorocthylene.
61932	Filled liquefied gas containers, jacketed only, as follows: (a) liquid fluorine containers of 250 gallons capacity and over; and (b) other liquefied gas containers of over 500 gallons capacity.[3]
61934	Unfilled liquefied gas containers, jacketed only, as follows: (a) liquid fluorine containers of 250 gallons capacity and over; and (b) other liquefied gas containers of over 500 gallons capacity.[3]
61938	Welding rods and wires, iron and steel, electric, special types only.[2]
61940	Welding rods and wires, iron and steel, non-electric, special types only.[2]
61944	Cobalt metal welding rods, wires, and electrodes (including brazing rods).
61944	Cobalt alloy welding rods, wires, and electrodes (including brazing rods), special types only.[2]
61944	Columbium and columbium alloy welding rods, wires, and electrodes (including brazing rods).
61944	Magnesium alloy welding rods, wires, and electrodes (including brazing rods) containing 0.4 percent or more zirconium, or 1 percent or more of rare earth metals (cerium misch metal).
61944	Molybdenum and molybdenum alloy welding rods, wires, and electrodes (including brazing rods).
61944	Nickel alloy welding rods, wires, and electrodes (including brazing rods) containing 32 percent or more nickel, except those of nickel-copper alloys containing not more than 6 percent of other alloying elements.
61944	Tantalum and tantalum alloy welding rods, wires, and electrodes (including brazing rods).
61952	Woven wire mesh composed of wire containing 95 percent or more nickel with 60 or more wires per linear centimeter.
61964	Welded wire mesh composed of wire containing 95 percent or more nickel with 60 or more wires per linear centimeter.
61964	Wire rope, strand, and cord made of phosphor bronze.
61995	Beryllium foil.
61995	Cobalt metal foil.
61995	Cobalt alloy metal foil, special types only.[2]
61995	Columbium foil.
61995	Copper and copper-base alloy perforated plates and perforated sheets.
61995	Molybdenum foil and molybdenum alloy foil.
61995	Nickel alloy foil containing 32 percent or more nickel, except nickel-copper alloy foil containing not more than 6 percent of other alloying elements.
61995	Permanent magnets with a composition capable of an energy product greater than 6 times 10^6 gausses/oersteds, or containing more than 25 percent cobalt.
61995	Tantalum foil.
61995	Titanium foil.
61995	Zirconium manufactures, wholly of zirconium in which the ratio of hafnium content to zirconium content is less than one part to five hundred parts by weight.
61995	Other zirconium manufactures, wholly of zirconium.
61995	Zirconium alloy manfactures, wholly of zirconium alloy containing more than 50 percent zirconium in which the ratio of hafnium content to zirconium content is less than 1 part to 500 parts by weight.
61995	Other zirconium alloy manufactures.
64120	Copperweld rods for drawing.
64220	Copper pipe and tubing.
64230	Copper plates, sheets, and strip, including nickel-plated.
64251	Copper wire and cable, bare, except welding rods and wire.
64290	Copper castings and forgings, rough and semi-finished.
64290	Copper rods and bars, n.e.c.
64490	Copper-base alloy bars, rods, and other bar-size shapes, extruded, rolled and drawn.
64500	Copper-base alloy plates, sheets, and strip.
64530	Copper-base alloy pipe and tubing (including pipe coils).
64571	Copper-base alloy wire and cable, bare.
64793	Copper-base alloy castings and forgings, rough and semi-finished.
65467	Bi-metallic strip for thermostats.
65467	Other nickel alloy metal in crude forms, and bars, rods, sheets, plates, and strip containing 32 percent or more nickel, except nickel-copper alloys containing not more than 6 percent of other alloying elements.

Dept. of Commerce Schedule B No.	Commodity description
	GROUP E–8—METALS AND MINERALS—MILL PRODUCTS AND MANUFACTURED PRODUCTS—continued
65480	Nickel alloy metal in semifabricated forms included on the Positive List under this Schedule B number.
66411	Beryllium metal and alloys, containing more than 50 percent beryllium, in semi-fabricated forms, n.e.c.
66429	Cobalt dental alloys.
66429	Cobalt metal in crude forms.
66429	Cobalt alloy metal in crude forms, special types only.[2]
66431	Cobalt metal in semifabricated forms, n.e.c.
66431	Cobalt alloy metal in semifabricated forms, n.e.c., special types only.[2]
66437	Columbium or niobium metals and alloys in semi-fabricated forms, n.e.c. (include metal alloys in which columbium is the metal of chief value).
66447	Magnesium alloys in semifabricated forms, n.e.c., containing 0.4 percent or more zirconium, or 1 percent or more of rare earth metals (cerium misch metal).
66463	Molybdenum wire, bare, except cleaned wire of a diameter not exceeding 500 microns and which, after having been fully annealed has an elongation factor not exceeding 5 percent for diameters up to 200 microns and not exceeding 10 percent for diameters from 200 to 500 microns.
66465	Molybdenum and molybdenum alloys in semi-fabricated forms, n.e.c.
66473	Tantalum and tantalum alloys in semifabricated forms, n.e.c.
66481	Titanium metal and alloy intermediate mill shapes.
66483	Titanium metal and alloy mill products, n.e.c.
66489	Tungsten wire.
66520	Zirconium semifabricated forms, n.e.c., containing more than 50 percent zirconium in which the ratio of hafnium content to zirconium is less than 1 part to 500 parts by weight.
66520	Other zirconium semifabricated forms, n.e.c., containing more than 50 percent zirconium.
66540	Dendritic forms of any semiconductor material, or combinations thereof, suitable for use in diodes or transistors.
66540	Thermo bimetal, thermometal, and thermostatic metal.
69561	Silver-copper brazing alloy.
70948	Copper bus bars.
70972	Building wire and cable, copper or copper-base alloy.
70974	Weatherproof and slow-burning wire, copper or copper-base alloy.
70976	Coaxial cable.
70976	Communications cable, including submarine cable, containing more than one pair of conductors or containing any conductor (single or stranded) exceeding 0.9 millimeter in diameter.
70976	Other communication and signal wire and cable, copper or copper-base alloy.
70978	Portable cord, wire, and cable, copper or copper-base alloy, molded rubber-sheathed.
70989	Copper or copper-base alloy wire and cable, rubber and/or thermoplastic insulated, including automotive ignition wire.
70991	Copper or copper-base alloy wire and cable, varnished-cambric insulated, with braided, leaded, or armored finishes.
70993	Copper or copper-base alloy power cable, paper-insulated, with leaded or armored finishes.
70995	Copper or copper-base alloy wire and cable, insulated, n.e.c.
70995	Insulated thermo-couple nickel-chrome wire containing less than 95 percent nickel and within a diameter range of 0.2 mm. to 5 mm., both inclusive.
70995	Other insulated nickel and nickel alloy wire containing 32 percent or more nickel, except nickel-copper alloy wire containing not more than 6 percent of other alloying elements.
70997	Electrical steel punchings with a core loss of 0.45 watt per pound at 13,000 gausses and 50 cycles per second or less, or with a thickness of 0.0004 inch or less.

See footnotes at end of table.

Dept. of Commerce Schedule B No.	Commodity description
	GROUP E–9—GENERAL INDUSTRIAL EQUIPMENT
77450	Valves, cocks, or pressure regulators, iron or steel, incorporating any of the following materials: (a) 90 percent or more tantalum, titanium, or zirconium, either separately or combined; (b) 50 percent or more cobalt or molybdenum, either separately or combined; (c) polytetrafluoroethylene; or (d) polytrifluorochloroethylene, except (i) those having flow contact surfaces made of or lined with any of the aforementioned material; (ii) those fitted with bellows seal, and lined with aluminum, nickel, or alloy containing 60 percent or more nickel; or (iii) those designed to operate at temperatures below minus 130° C.
77455	Valves, cocks, or pressure regulators, brass, bronze or other nonferrous metal, incorporating any of the following materials: (a) 90 percent or more tantalum, titanium, or zirconium, either separately or combined; (b) 50 percent or more cobalt or molybdenum, either separately or combined; (c) polytetrafluoroethylene; or (d) polytrifluorochloroethylene, except (i) those having flow contact surfaces made of or lined with any of the aforementioned material; (ii) those fitted with bellows seal, and wholly made or lined with aluminum, nickel, or alloy containing 60 percent or more nickel; or (iii) those designed to operate at temperatures below minus 130° C.
77460	Automatic control valves or pressure regulators incorporating any of the following materials: (a) 90 percent or more tantalum, titanium, or zirconium, either separately or combined; (b) 50 percent or more cobalt or molybdenum, either separately or combined; (c) polytetrafluoroethylene; or (d) polytrifluorochloroethylene, except (i) those having flow contact surfaces made or or lined with any of the aforementioned material; (ii) those fitted with bellows seal, and wholly made of or lined with aluminum, nickel, or alloy containing 60 percent or more nickel; or (iii) those designed to operate at temperatures below minus 130° C.
77465	Nonmetal valves, cocks, or pressure regulators incorporating any of the following materials: (a) 90 percent or more tantalum, titanium, or zirconium, either separately or combined; (b) 50 percent or more cobalt or molybdenum, either separately or combined; (c) polytetrafluoroethylene; or (d) polytrifluorochloroethylene, except (i) those having flow contact surfaces made of or lined with any of the aforementioned material; or (ii) those designed to operate at temperatures below minus 130° C.
77465	Parts and accessories, n.e.c., specially fabricated for valves, cocks, or pressure regulators included on the Positive List under Schedule B Nos. 77450 through 77465 which are not subject to the IC/DV procedure.
	GROUP E–10—POWER GENERATING MACHINERY
71190	Parts and accessories, n.e.c., specially fabricated for steam turbines 200,000 kilowatts and over.
71392	Parts and accessories, n.e.c., specially fabricated for marine steam boilers designed to operate at temperatures of 1,100° F. and above.
71392	Parts and accessories, n.e.c., specially fabricated for marine steam boilers designed to operate at temperatures from 850° to 1,100° F.
71590	Parts and accessories, n.e.c., specially fabricated for diesel engines included on the Positive List in the last entry under Schedule B No. 71466 and in the entry under Schedule B No. 71476.
	GROUP E–11—CONSTRUCTION EQUIPMENT
72004	Wheel-mounted excavator-type power cranes and shovels, new, except those built to military specifications and specially designed for airborne transport.
72015	Non-military type shovel loaders, 135 net brake horsepower and over.

Dept. of Commerce Schedule B No.	Commodity description
	GROUP E–11—CONSTRUCTION EQUIPMENT—continued
72018	Non-military type used or rebuilt power excavators, and loaders included on the Positive List under Schedule B Nos. 72002 through 72015.
72021	Parts, accessories, and attachments, n.e.c., specially fabricated for non-military type loaders included on the Positive List under Schedule B Nos. 72015 and 72018.
72205	Non-military type scrapers, dig-carry-haul type, over 11 cu. yd. struck capacity.
72225	Non-military type contractors' off-the-road-wheel tractors, 135 net brake horsepower and over.
72227	Non-military type off-the-road haulers (trucks, wagons and trailers) having an axle load rating of 47,500 lbs. or more for any one axle assembly (whether the axle assembly consists of one or two axles).
72245	Pipe layers, specially designed (integrated tracklaying tractor type), 135 net brake horsepower and over.
72245	Parts and accessories, n.e.c., specially fabricated for the non-military type equipment included on the Positive List under Schedule B Nos. 72205 through 72245.
72511	Non-military type lift trucks powered by internal combustion engines, 135 net brake horsepower and over.
72520	Non-military type industrial wheel tractors, 135 net brake horsepower and over.
72540	Parts, accessories, and attachments, n.e.c., specially fabricated for non-military type industrial trucks and wheel-type tractors included on the Positive List under Schedule B Nos. 72511 and 72520.
77078	Parts and accessories, n.e.c., specially fabricated for air and gas compressors included on the Positive List under Schedule B Nos. 77073 and 77076.
78730	Non-military type tracklaying tractors, new, 112 but under 155 drawbar horsepower.
78735	Non-military type tracklaying tractors, new, 155 and over drawbar horsepower.
78745	Non-military type tracklaying tractors, used or rebuilt, 112 and over drawbar horsepower.
78891	Parts and accessories, n.e.c., specially fabricated for non-military type tracklaying tractors included on the Positive List under Schedule B Nos. 78730 through 78745.
	GROUP E–12—PETROLEUM EQUIPMENT
73115	Rotary rock drill bits, including coring bits, containing tungsten carbide, having cones or sections which rotate freely and independently of the rotation of the body of the bit.
73119	Rotary rock drill bits, n.e.c., including coring bits, having cones or sections which rotate freely and independently of the rotation of the body of the bit.
73222	Parts and accessories, n.e.c., specially fabricated for rock drill bits included on the Positive List under Schedule B Nos. 73115 and 73119.
73225	Parts and accessories, n.e.c., specially fabricated for rotary drill (except core) rigs included on the Positive List under Schedule B Nos. 73091 and 73095, except crown and traveling blocks, hooks, swivels, drill collars, tool joints, kelly's, kelly and rotary substitutes, derricks, masts, platforms, and substructures.
73395	Petroleum and natural gas field production equipment, n.e.c., and specially fabricated parts and accessories, n.e.c., except casing head, and Christmas tree assemblies less than 2,000 psi.
76698	Well-logging instruments and equipment, and specially fabricated parts and accessories, n.e.c.
86070	Jet perforators.
86070	Oil well bullets.
	GROUP E–13—INDUSTRIAL INORGANIC CHEMICALS
82085	Weed killers consisting primarily of boron compounds (e.g., borates, borax).

Dept. of Commerce Schedule B No.	Commodity description
	GROUP E-13—INDUSTRIAL INORGANIC CHEMICALS—continued
82999	Molybdenum lubricants containing 80 percent or more of molybdenum disulphide.
83440	Lithium bromide.
83460	Lithium iodide.
83622	Boron nitride.
83622	Other boric acid and borates, crude, refined, and compounds (including borate esters and other boron compounds), n.e.c., except sodium perborate.
83799	Sodium azide.
83850	Guanidine nitrate.
83850	Tetrazene [1-guanyl (5' tetrazolyl) 4 guanyl-tetrazine hydrate.]
83959	Chlorine trifluoride.
83973	Hydrogen peroxide or dioxide, 50 to 85 percent strength inclusive.
83979	Barium styphnate.
83979	Lead dinitroresorcinate.
83979	Lead styphnate (lead trinitroresorcinate).
83979	Lithium salts of organic compounds.
83979	Yttrium salts of organic compounds.
83990	Beryllium salts and compounds (including, but not limited to, beryllium oxide, beryllium nitrate, beryllium sulfate, beryllium carbonate, zinc beryllium silicate).
83990	Cobalt carbonate, cobalt hydroxides, cobalt oxalate, cobalt oxides, cobalt sulfide, and cobalt phosphide.
83990	Deuterium and deuterium compounds, including heavy water and heavy paraffin.
83990	Gallium salts and compounds.
83990	Germanium compounds 99.99 percent or better purity.
83990	Hafnium salts and compounds.
83990	Lead thiocyanate.
83990	Lithium salts and compounds (including, but not limited to, lithium amide, lithium carbonate, lithium chloride, lithia crystals, lithium fluorophosphate, lithium fluoride, lithium hydride, lithium hydroxide monohydrate, and lithium sulfate).
83990	Magnesium oxide, precipitated, purity 97 percent or higher.
83990	Molybdenum disulfide, 86 percent content or higher.
83990	Polonium-bearing salts and compounds.
83990	Tantalum compounds.
83990	Yttrium salts and compounds.
83990	Zirconium oxide, purity 97 percent or higher, or stabilized with lime and/or magnesia.
83990	Zirconium compounds containing less than 1 part hafnium to 500 parts zirconium.
84290	Cobalt oxide.
86070	Lead azide.
86070	Mercury (mercuric) fulminate.
	GROUP E-14—ORGANIC CHEMICALS
80257	Diphenylamine.
80279	Fluoroalcohol esters of organic carboxylic acids boiling above 500° F. (260° C.).
80279	p-nitro-N-methylaniline.
80698	Ethyl centralite.
80698	Methyl centralite.
80698	2-nitrodiphenylamine.
80698	Diortho tolyl urethane.
80698	Diphenyl urethane.
80698	Ethyl-NN-diphenylurea (ethyl unsymmetrical diphenyl urea).
80698	Ethyl phenyl urethane.
80698	Methyl-NN-diphenylurea (methyl unsymmetrical diphenyl urea).
80698	NN-diphenylurea (unsymmetrical diphenyl urea.
82996	Hydraulic fluids, synthetic, formulated wholly or in part with silicones, organo-silicates, silanes, and fluorinated alcohol esters.
82996	Hydraulic fluids, synthetic, diester types.
82999	Silicone lubricating greases capable of operating at temperatures of 180° C. or higher and with an ASTM drop point of 220° C. or higher.
82999	Silicone fluids containing halogenated organic radicals.
83285	Monochlorodifluoro methane (e.g., Freon 22); trichlorotrifluoro ethane (e.g., Freon 113; Genetron 226); and dichlorotetrafluoromethane (e.g., Freon 114).
83285	Difluoroethane (e.g., Freon 152; Genetron 100); and monochlorodifluoroethane (e.g., Freon 142; Genetron 101).
83285	Hexafluoropropylene.
83285	Tetrafluoroethylene.
83285	Trifluoromonochloroethylene.
83285	Vinylidene fluoride.
83299	Esters of dibasic saturated aliphatic acids combined with saturated aliphatic monohydric alcohols, where both of the two constituents contain six or more carbon atoms.
83299	Esters of dibasic saturated aliphatic acids combined with polyglycols, when one or both of the two constituents contain six or more carbon atoms.

See footnotes at end of table.

Dept. of Commerce Schedule B No.	Commodity description
	GROUP E-14—ORGANIC CHEMICALS—continued
83299	Fluoroalcohol esters of organic carboxylic acids boiling above 500° F. (216° C.) at atmospheric pressure.
83299	Nonyl sebacates.
83299	Octyl sebacates.
86070	Triethylene glycol di 2-ethylbutyrate (e.g., Flexol 3 GH).
	Detonating and priming compositions (mixtures) containing one or more of the following chemicals: mercury fulminate; lead azide; lead styphnate; lead thiocyanate; lead dinitroresorcinate; or barium styphnate.

[1] For export control purposes "special types" of alloy steel (including stainless) includes steels containing any of the following characteristics: (1) alloys with 10 percent or more molybdenum; (2) alloys with 5 percent or more molybdenum and more than 14 percent chromium; (3) alloys with 6 or more percent cobalt, except permanent magnetic metals with a cobalt content of 25 percent or less; (4) alloys with 1.5 percent or more columbium and/or tantalum; (5) nickel-bearing steels, n.e.c., with a total of 35 percent or more of alloying elements, including but not limited to the following types: AISI types 309, 309B, 309-S, 309-S-Cb-Ta, 310, 311, 312, 314, 317, and 330; and (6) precipitation hardening steels as follows: AM 350, AM 355, 17-4 PH, 17-7 PH, PH 15-7 Mo., 17-10 P, 17-14 Cu. Mo., V2, B, HNM, Stainless W, and Fv 520.

[2] For export control purposes, "special types" of cobalt alloy include alloys containing any of the following: (a) 50 percent or more cobalt; or (b) 19 percent or more cobalt and 14 percent or more chromium and less than 1 percent carbon; or (c) 19 percent or more cobalt and 14 percent or more chromium and 3 percent or more molybdenum.

[3] A jacketed container is a thermos type container that has more than one wall and is insulated by a vacuum or by insulation material.

§ 379.2 [Amendment]

5. Section 379.2 *Presentation and use of validated license,* paragraph (h) *Weight and volume tolerance* is amended to read as follows:

(h) *Shipping tolerance*—(1) *10 percent tolerance.* A 10 percent shipping tolerance is allowed over the amount specified on a validated license, or on a Collector's release against the license approved in accordance with paragraph (e) of this section, unless such tolerance is not permitted by the terms of the license or is limited or prohibited by any of the provisions set forth in subparagraph (2), (3), or (4) of this paragraph.

(2) *Unit of quantity covered.* (i) This tolerance is allowed only when the unit of quantity called for on the license is in the following terms:

Avoirdupois ounce.	M (1,000) board feet.
Bale.	Milligram.
Barrel.	Oxford unit.
Bushel.	Pound.
Content pound.	Proof gallon.
Cubic foot.	Short ton (2,000 pounds).
Gallon.	Square foot.
Gram.	Square yard.
Hundredweight (100 pounds).	Troy ounce.
Linear foot.	U.S.P. unit.
Linear yard.	
Long ton (2,240 pounds).	

(ii) The tolerance provisions of this section shall not apply to the following units of quantity:

Carat.	Pencil gross.
Cell.	Piece.
Dozen.	Ream.
Gross.	Roll.
Number.	Round.
Pack.	Set.
Pair.	Square.

(3) *Maximum tolerance allowed.*[1] In all cases, the tolerance shall be allowed on the basis of the actual quantity stated on the license, or on a Collector's release against the license, approved in accordance with paragraph (e) of this section; and in no case shall the tolerance exceed 10 percent of the stated quantity. For example, if the quantity shown on the license or the release as applicable is "100,000 pounds," not more than 110,000 pounds may be exported. Where the quantity stated on the license or the Collector's release has been shipped, no further shipment may be made under the license or Collector's release, as applicable.

(4) *Partial shipments.* Whenever one or more partial shipments of the licensed commodity have been made, the 10 percent tolerance is allowed on only the unshipped balance, except that in the case of shipments of iron and steel products (Processing Code STEE), and tinplate (Processing Code TNPL), the tolerance of 10 percent is allowed on the basis of the actual quantity stated on the license or the Collector's release. Where the quantity stated on the license or the Collector's release has been shipped, no further shipment may be made under the license or the Collector's release.

§ 380.2 [Amendment]

6. Section 380.2 *Amendments or alterations of licenses,* paragraph (f) *Where to file,* subparagraph (3) *Amendment requests on which field offices may not take action* is amended to read as follows:

(3) *Amendment requests on which field offices may not take action.* The Department of Commerce field offices are not authorized to take action on requests for amendments to licenses under the conditions described below. All such requests shall be filed with the Bureau of Foreign Commerce, Department of Commerce, Washington 25, D.C.

(i) Request for amendment of a license covering an exportation to a Subgroup A country, unless the amendment involves no more than a correction of obvious error(s) in the license, such as a mistake in typing.

(ii) Request for amendment of a license where the intended port of exit is not known to the licensee.

(iii) Request for amendment action on shipments which have already been laden aboard the exporting carrier or exported (see § 380.2(h)(2)).

(iv) Request for amendment or extension of a Project License.

§ 385.2 [Amendment]

7. Section 385.2 *General Licenses GTDP, GTDU, and GTDS,* paragraph (b) *General License GTDU; Unclassified technical data either unpublished or not generally available in published form,* subparagraphs (2) and (3) are amended to read as follows:

(2) This general license shall not be applicable to any exportation of technical data directly or indirectly to any

[1] See § 375.4(d) of this chapter for tolerance provisions relating to shipments under Blanket (BLT) License.

Subgroup A destination or Poland (including Danzig); except that technical data such as manuals, instruction sheets, or blueprints may be exported to any destination other than Communist China, North Korea, or the Communist-controlled area of Viet-Nam, provided that the technical data are:

(i) Sent as part of the transaction involving, and directly related to, a commodity licensed for export from the United States to the same consignee and destination to which the commodity was or will be exported;

(ii) Sent no later than one year following the shipment of the commodity to which the technical data are related;

(iii) Of a type normally delivered with the commodity;

(iv) Necessary to the assembly, installation, maintenance, repair, or operation of the commodity; and

(v) Not related to the production, manufacture, or construction of the commodity.

(3) This general license shall not be applicable to technical data relating to the commodities described below in this subparagraph. The limitations set forth in this subparagraph do not apply to the exportation of operating and maintenance instructional material or to technical data included in an application for the foreign filing of a patent, provided such foreign filing of a patent application is in accordance with the regulations of the United States Patent Office.

(i) Civil aircraft, civil aircraft equipment, parts, accessories, or components listed on the Positive List of Commodities (§ 399.1 of this chapter); or

(ii) The following electronic commodities listed on the Positive List of Commodities (§ 399.1 of this chapter):

(*a*) Electrical and electronic instruments, Schedule B Nos. 70372 and 70379, specially designed for testing or calibrating the airborne direction finding, navigational and radar equipment described in Schedule B Nos. 70797 and 70867.

(*b*) Airborne transmitters, receivers, and transceivers, Schedule B number 70779.

(*c*) Airborne direction finding equipment, Schedule B number 70797.

(*d*) Airborne electronic navigation apparatus; airborne, ground and marine radar equipment, Schedule B number 70867.

This amendment shall become effective as of April 1, 1960.

(Sec. 3, 63 Stat. 7; 50 U.S.C. App. 2023. E.O. 9630, 10 F.R. 12245, 3 CFR, 1945 Supp., E.O. 9919, 13 F.R. 59, 3 CFR, 1948 Supp.)

LORING K. MACY,
Director,
Bureau of Foreign Commerce.

[F.R. Doc. 60-3398; Filed, Apr. 15, 1960; 8:45 a.m.]

Title 6—AGRICULTURAL CREDIT

Chapter III—Farmers Home Administration, Department of Agriculture

SUBCHAPTER B—FARM OWNERSHIP LOANS

[FHA Instruction 428.1]

PART 331—POLICIES AND AUTHORITIES

Average Values of Farms; Virginia

On April 4, 1960, for the purposes of Title I of the Bankhead-Jones Farm Tenant Act, as amended, average values of efficient family-type farm-management units for 51 of the 97 counties identified below were determined to be as herein set forth. The average values heretofore established for said 51 counties which appear in the tabulations of average values under 6 CFR 331.17 are superseded by the average values set forth below for said counties.

VIRGINIA

County	*Average value*
Accomack	$40,000
Albemarle	40,000
Alleghany	30,000
Amelia	30,000
Amherst	37,500
Appomattox	30,000
Augusta	45,000
Bath	30,000
Bedford	35,000
Bland	40,000
Botetourt	30,000
Brunswick	30,000
Buchanan	18,000
Buckingham	25,000
Campbell	27,000
Caroline	25,000
Carroll	40,000
Charles City	30,000
Charlotte	30,000
Chesterfield	35,000
Clarke	35,000
Craig	25,000
Culpeper	45,000
Cumberland	25,000
Dickenson	18,000
Dinwiddie	35,000
Essex	35,000
Fairfax	45,000
Fauquier	45,000
Floyd	40,000
Fluvanna	25,000
Franklin	35,000
Frederick	40,000
Giles	35,000
Gloucester	35,000
Goochland	35,000
Grayson	40,000
Greene	35,000
Greensville	30,000
Halifax	30,000
Hanover	35,000
Henrico	25,000
Henry	25,000
Highland	40,000
Isle of Wight	30,000
James City	35,000
King and Queen	35,000
King George	40,000
King William	35,000
Lancaster	40,000
Lee	35,000
Loudoun	$40,000
Louisa	25,000
Lunenburg	25,000
Madison	40,000
Mathews	32,500
Mecklenburg	30,000
Middlesex	32,500
Montgomery	37,500
Nansemond	30,000
Nelson	35,000
New Kent	30,000
Norfolk	40,000
Northampton	25,000
Northumberland	40,000
Nottoway	30,000
Orange	45,000
Page	40,000
Patrick	40,000
Pittsylvania	30,000
Powhatan	25,000
Prince Edward	30,000
Prince George	35,000
Princess Anne	40,000
Prince William	45,000
Pulaski	37,500
Rappahannock	40,000
Richmond	40,000
Roanoke	25,000
Rockbridge	40,000
Rockingham	40,000
Russell	35,000
Scott	30,000
Shenandoah	35,000
Smyth	35,000
Southampton	35,000
Spotsylvania	25,000
Stafford	40,000
Surry	35,000
Sussex	35,000
Tazewell	35,000
Warren	30,000
Washington	35,000
Westmoreland	40,000
Wise	20,000
Wythe	40,000
York	35,000

(Sec. 41, 50 Stat. 528, as amended; 7 U.S.C. 1015; Order of Acting Sec. of Agr., 19 F.R. 74, 22 F.R. 8188)

Dated: April 12, 1960.

H. C. SMITH,
Acting Administrator,
Farmers Home Administration.

[F.R. Doc. 60-3490; Filed, Apr. 15, 1960; 8:49 a.m.]

[FHA Instruction 428.1]

PART 331—POLICIES AND AUTHORITIES

Average Values of Farms; West Virginia

On April 4, 1960, for the purposes of Title I of the Bankhead-Jones Farm Tenant Act, as amended, average values of efficient family-type farm-management units for 42 of the 55 counties identified below were determined to be as herein set forth. The average values heretofore established for said 42 counties which appear in the tabulations of average values under 6 CFR 331.17 are superseded by the average values set forth below for said counties.

WEST VIRGINIA

County	Average value
Barbour	$25,000
Berkeley	45,000
Boone	15,000
Braxton	25,000
Brooke	25,000
Cabell	30,000
Calhoun	25,000
Clay	15,000
Doddridge	25,000
Fayette	25,000
Gilmer	20,000
Grant	30,000
Greenbrier	40,000
Hampshire	30,000
Hancock	25,000
Hardy	30,000
Harrison	35,000
Jackson	35,000
Jefferson	45,000
Kanawha	20,000
Lewis	30,000
Lincoln	20,000
Logan	15,000
McDowell	18,000
Marion	25,000
Marshall	35,000
Mason	45,000
Mercer	25,000
Mineral	25,000
Mingo	10,000
Monongalia	25,000
Monroe	35,000
Morgan	25,000
Nicholas	25,000
Ohio	35,000
Pendleton	30,000
Pleasants	25,000
Pocahontas	35,000
Preston	35,000
Putnam	30,000
Raleigh	25,000
Randolph	30,000
Ritchie	25,000
Roane	30,000
Summers	25,000
Taylor	25,000
Tucker	25,000
Tyler	25,000
Upshur	30,000
Wayne	25,000
Webster	15,000
Wetzel	25,000
Wirt	20,000
Wood	30,000
Wyoming	18,000

(Sec. 41, 50 Stat. 528, as amended; 7 U.S.C. 1015; Order of Acting Sec. of Agr., 19 F.R. 74, 22 F.R. 8188)

Dated: April 12, 1960.

H. C. SMITH,
Acting Administrator,
Farmers Home Administration.

[F.R. Doc. 60-3491; Filed, Apr. 15, 1960; 8:49 a.m.]

Chapter IV—Commodity Stabilization Service and Commodity Credit Corporation, Department of Agriculture

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

[C.C.C. Texas Flaxseed Bulletin, 1960 Supp. 1]

PART 421—GRAINS AND RELATED COMMODITIES

Subpart—1960 Texas Flaxseed Purchase Program

A purchase program has been authorized for 1960-crop flaxseed produced in designated Texas counties. This subpart contains provisions applicable to the 1960 program and together with the provisions contained in C.C.C. Texas Flaxseed Bulletin (24 F.R. 2853) constitutes the 1960 Texas Flaxseed Purchase Program.

Sec.

AUTHORITY: §§ 421.5526 to 421.5528 issued under sec. 4, 62 Stat. 1070, as amended; sec. 5, 62 Stat. 1072, secs. 301, 401, 63 Stat. 1053, 1054, as amended, Title II, 73 Stat. 178; 15 U.S.C. 714 b and c, 7 U.S.C. 1447, 1421.

§ 421.5526 Applicability of $50,000 nonrecourse price support limitation.

(a) The provisions contained (1) in Public Law 86-80 relating to the $50,000 limitation on price supports, and (2) in the "Regulations Relating to the $50,000 Limitation on Nonrecourse Price Support for the 1960 Crop of Price Supported Field Crops in Surplus Supply" (hereinafter referred to as the "Regulations Relating to the $50,000 Limitation") 25 F.R. 1001, February 5, 1960, as amended, are applicable to flaxseed. A producer shall not be eligible for nonrecourse price support in excess of $50,000 on flaxseed unless he has made the reduction in production required in the "Regulations Relating to the $50,000 Limitation." The rules provided in the "Regulations Relating to the $50,000 Limitation" shall be applied to determine whether certain individuals or legal entities engaged in the production of flaxseed are to be treated as one person or as separate persons for the purpose of applying the $50,000 limitation. Receivers of an insolvent debtor's estate, executors and administrators of a deceased person's estate, guardians of an estate of a ward or of an incompetent person, and trustees of a trust estate will be considered to represent the insolvent debtor, the deceased person, the ward or incompetent, and the beneficiaries of a trust, respectively, and the production of the receivers, executors and administrators, guardians, and trustees shall be considered to be the production of the persons they represent, provided the loan, purchase agreement, or purchase documents executed by them are legally valid.

(b) If a person insists on price support in excess of $50,000 under this program on 1960-crop flaxseed and such person has not made the reduction in production required in the "Regulations Relating to the $50,000 Limitation," such price support shall be made only through recourse price support warehouse-storage loans in accordance with the provisions contained in 1960 C.C.C. Grain Price Support Bulletin 1, (25 F.R. 2380) and the flaxseed supplements thereto. Recourse loans in these cases will be made only after nonrecourse price support in the amount of $50,000 (total of purchases in designated Texas purchase counties and nonrecourse loans made in other areas) has been extended to the person.

(c) In the absence of fraud, if the producer who has not qualified for unlimited nonrecourse price support delivers a quantity of flaxseed which, if received by CCC as a delivery under this program would cause the total amount of nonrecourse price support extended on flaxseed to the producer to exceed $50,000 or if the producer has been extended nonrecourse price support on flaxseed in excess of $50,000, CCC shall effect settlement for the excess flaxseed in accordance with subparagraph (1), (2) or (3) of this paragraph (basis point of delivery by the producer to CCC):

(1) Make available to the producer a quantity of flaxseed which has a settlement value equal to the excess above $50,000,

(2) Sell the quantity of excess flaxseed at the market price for the producer's account and settle with him on the basis of the net proceeds,

(3) When it is not practicable to effect full settlement as provided in subparagraphs (1) and (2) of this paragraph, CCC may accept the quantity of excess flaxseed for which settlement has not been so effected, at the market value on the date of delivery, as determined by CCC, or the price support purchase value, whichever is lower.

CCC, however, will not accept delivery of any excess flaxseed from a producer where it is practicable to determine at the time of delivery the quantity of flaxseed which would cause the total amount of nonrecourse price support extended on flaxseed to exceed $50,000. In the absence of fraud, such producer shall refund to CCC, promptly upon demand, the total amount of any nonrecourse price support received on flaxseed in excess of $50,000 plus all costs incurred by the Corporation in connection with such excess flaxseed, together with interest thereon, less the amount due the producer under this paragraph. The rate of interest payable by the producer on such amounts shall be 6 percent per annum from the date of disbursement, except that if any such amounts are repaid on or before the maturity date for nonrecourse warehouse-storage loans on flaxseed, the rate of interest thereon shall be 3½ percent per annum from the date of disbursement.

§ 421.5527 Purchase prices, premiums and discounts.

(a) *1960 county purchase prices.* Basic purchase prices per bushel of eligible flaxseed of the 1960 crop produced in the authorized counties listed below which is delivered to authorized dealers under this program for the account of CCC will be at the rate established for the county where the flaxseed is delivered. The basic purchase prices for flaxseed grading No. 1 and containing from 10.6 to 11.0 percent moisture are as follows:

TEXAS

County	Rate per bushel	County	Rate per bushel
Aransas	$2.19	Brooks	$2.10
Atascosa	2.08	Brown	2.02
Bastrop	2.08	Burnet	2.02
Bee	2.18	Caldwell	2.08
Bell	2.05	Calhoun	2.10
Bexar	2.08	Cameron	2.05
Blanco	2.05	Coleman	1.99
Bowie	1.97	Collin	2.02

TEXAS—Continued

County	Rate per bushel	County	Rate per bushel
Colorado	$2.15	McMullen	$2.11
Comal	2.08	Mason	2.02
Concho	1.99	Matagorda	2.11
De Witt	2.09	Maverick	1.96
Dimmit	2.00	Medina	2.07
Duval	2.13	Milam	2.08
Frio	2.05	Mills	2.02
Galveston	2.19	Nueces	2.20
Goliad	2.15	Real	2.01
Gonzales	2.08	Red River	1.97
Guadalupe	2.08	Refugio	2.13
Hamilton	1.99	Runnels	1.97
Hays	2.08	San Patricio	2.21
Hidalgo	2.05	San Saba	2.02
Jackson	2.09	Taylor	1.96
Jim Hogg	2.09	Travis	2.08
Jim Wells	2.18	Uvalde	2.01
Karnes	2.13	Victoria	2.13
Kimble	2.00	Webb	2.05
Kleberg	2.17	Wharton	2.16
La Salle	2.01	Willacy	2.06
Lavaca	2.08	Williamson	2.07
Lee	2.11	Wilson	2.11
Live Oak	2.15	Zapata	2.02
McCulloch	2.01	Zavala	1.98

(b) *1960 Terminal market purchase prices.* (1) The basic purchase price shall be $2.40 per bushel for No. 1 flaxseed containing 10.6 to 11.0 percent moisture delivered by rail in carload lots to authorized dealers at the Corpus Christi and Houston, Texas, terminal markets.

(2) The basic purchase price for flaxseed of such grade and quality delivered by truck to authorized dealers at the above terminal markets will be purchased by CCC under this program on the basis of the terminal rate minus 4½ cents per bushel.

(c) *Grade discount.* The basic purchase price for No. 2 flaxseed shall in all instances be 6 cents per bushel less than the price indicated for No. 1 flaxseed.

(d) *Premiums for low moisture content.* The following premiums for low moisture content are applicable to eligible flaxseed:

Moisture content (percent):	Premium (cents per bushel)
10.6 to 11.0 inclusive	0
10.1 to 10.5 inclusive	1
9.6 to 10.0 inclusive	2
9.1 to 9.5 inclusive	3
9.0 or less	4

§ 421.5528 Fraudulent representation.

If the producer has made a fraudulent representation in obtaining a purchase under this program or in the purchase documents, the producer shall be personally liable for any loss which CCC sustains upon the flaxseed covered by the applicable purchase documents. For the purpose of this program such loss shall be deemed to be the price paid to the producer plus all costs sustained by CCC in connection with the commodity, together with interest at the rate of 6 percent per annum from the date of disbursement, less the market value, as determined by CCC, of the flaxseed delivered on the date of delivery.

Issued this 12th day of April 1960.

CLARENCE D. PALMBY,
Acting Executive Vice President,
Commodity Credit Corporation.

[F.R. Doc. 60-3488; Filed, Apr. 15, 1960; 8:49 a.m.]

SUBCHAPTER C—EXPORT PROGRAM REGULATIONS

[Announcement CN-EX-9]

PART 482—COTTON PRODUCTS EXPORT PROGRAM

Subpart—1960-61 Cotton Export Program—Payment-in-Kind

Sec.

AUTHORITY: §§ 482.301 to 482.316 issued under sec. 4, 5, 62 Stat. 1070, as amended; sec. 203, 70 Stat. 188; 15 U.S.C. 714b, 714c, 7 U.S.C. 1853.

§ 482.301 General statement.

In order to encourage the movement of cotton by the commercial cotton trade into export channels, Commodity Credit Corporation (referred to in this subpart as "CCC") will carry out a cotton export program (referred to in this subpart as the "program") under which payments in the form of certificates redeemable in cotton from CCC's stocks will be made to exporters in connection with the exportation during the 1960-61 cotton marketing year of upland cotton produced in the continental United States. The program will be administered through the CSS Commodity Office, Wirth Building, 120 Marais Street, New Orleans 16, Louisiana (referred to in this subpart as the "New Orleans office"). Additional information pertaining to the operation of the program may be obtained from the New Orleans office.

§ 482.302 Definitions.

(a) *Cotton.* "Cotton" means upland cotton grown in the continental United States of grades named in the Universal Standards for American Upland Cotton and having a staple length of 1 3/16-inch or longer: *Provided, however,* That reginned or repacked cotton as defined in regulations of the Department of Agriculture under the United States Cotton Standards Act (Service and Regulatory Announcement No. A.M.S. 153, Title 7, Chapter I, Part 28, of the Code of Federal Regulations) shall be eligible for export under this subpart only if a Form A certificate issued by a Board of Cotton Examiners of the U.S. Department of Agriculture shows that the reginned or repacked cotton exported was 1 3/16-inch or longer in staple and of a grade named in the Universal Standards for American Upland Cotton.

Below-grade cotton, reginned or repacked cotton (unless proof of export includes a Form A certificate), or by-products of cotton, such as cotton mill waste, sweepings, linters, motes, and other such by-products of cotton, are not eligible for export under this subpart.

(b) *Export.* "Export" means the shipment from the continental United States to an eligible destination as specified in § 482.308. If cotton is exported under this subpart, the date which appears on the applicable on-board ocean bill of lading, or if shipment is by rail, the date the shipment clears United States Customs, will be accepted as the date of export.

(c) *Exporter.* "Exporter" means an individual, corporation, partnership, association or other business entity, which is regularly engaged in the business of exporting cotton, and for this purpose maintains a bona fide business office in the continental United States, and therein has a person, principal, or resident agent upon whom service of process may be had.

(d) *Director.* "Director" means the Director of the New Orleans office.

(e) *Export sale.* "Export sale" means a sale by an exporter to a foreign purchaser.

(f) *Date of sale.* "Date of sale" means the date on which the exporter and importer enter into an agreement for the sale of cotton.

(g) *Consignment.* "Consignment" means the shipment of cotton from the continental United States by an exporter prior to the sale of such cotton by the exporter.

(h) *Public notice.* "Public notice" means the filing of a notice with the FEDERAL REGISTER for publication.

§ 482.303 General conditions of eligibility.

If an exporter exports cotton, as defined in § 482.302(a), from the continental United States to an eligible destination, the exporter will be eligible to receive a payment in the form of a certificate, subject to the following terms and conditions and the other terms and conditions set forth in this subpart:

(a) Such cotton must have been exported in fulfillment of an export sale or consignment registered as provided in § 482.304.

(b) Such cotton must have been exported in accordance with § 482.308.

(c) The exporter must have submitted to the New Orleans office an application for such payment in accordance with § 482.309 and satisfactory evidence of the exportation of such cotton in accordance with § 482.310.

(d) The payment rate shall be determined in accordance with § 482.306.

(e) The amount of the certificate, the method of using the certificate, and other terms and conditions applicable to the certificate will be determined in accordance with §§ 482.307 and 482.311.

(f) Cotton exported pursuant to any program wherein the CCC sales price reflects an export allowance, cotton which is sold by CCC under conditions specifically excluding such cotton from exportation under this subpart, cotton exported pursuant to a CCC barter contract, cotton exported under an export sale financed under Title I of Public Law 480, 83d Congress (unless the applicable

purchase authorization specifically provides that such cotton shall be eligible for payment under this subpart), and cotton shipped as offset cotton in connection with Proclamation 2544 of the President of the United States shall not be eligible for a payment under this subpart.

§ 482.304 Registration.

Any export sale of cotton must have been made on or after March 16, 1960, to be registered under this subpart. CCC will register an export sale or consignment of cotton when, and only in the event that, the following requirements have been met:

(a) *Telegraphic notice of sale or consignment.* The exporter must send a notice of the export sale or consignment to the New Orleans office by telegram in accordance with the following requirements:

(1) In the case of an export sale, such telegram shall be filed with the telegraph office not later than midnight (exporter's local time) on the date of sale; except that in the case of any sale made on and after March 16, 1960, and before ten business days after the date on which this announcement is published in the FEDERAL REGISTER, such telegram must be filed with the telegraph office not later than ten business days after the date this announcement is published in the FEDERAL REGISTER. A notice of sale filed after the applicable date as determined above may be accepted by the Director if he determines that the delay is due to a cause occurring without the fault or negligence of the exporter. The notice must state the date of sale, name and address of the foreign purchaser, country of destination, number of bales sold, and the period of export.

(2) In the case of consignments, such telegram should be filed with the telegraph office when it is determined that the consignment will be made and must be filed prior to export of the cotton. The notice must state the country of destination, number of bales, and anticipated date of consignment.

(b) *Submission of Form 37.* The exporter must send to the New Orleans office a Confirmation of Cotton Sale or Consignment, CCC Cotton Form 37 (referred to in this subpart as "Form 37"), properly executed, in triplicate. The number of bales shown on the Form 37 must agree with the number of bales shown in the telegraphic notice. The Form 37 must be mailed in an envelope postmarked not later than five business days after the date of the telegraphic notice of sale or consignment. An extension of such five-day period may be granted by the Director before or after expiration of such period if he determines that additional time in which to submit the Form 37 is required by the exporter. Supplies of Form 37 and detailed instructions regarding the preparation and submission of the form may be obtained from the New Orleans office.

(c) *Name in which filed.* The telegraphic notice of sale or consignment and the Form 37 must be filed in the name of the exporter who sold or consigned the cotton. If a sale or consignment is made under a trade name, and documents to evidence export will be submitted under such trade name, the telegraphic notice and the Form 37 must show, in addition to the exporter's name, the trade name under which the cotton is to be shipped.

(d) *Refusal of registration.* CCC reserves the right to refuse to register any sale or consignment if it determines that such sale was made or notice of consignment was filed for the purpose of obtaining a higher rate of payment than otherwise would be applicable. CCC also reserves the right to waive any informality in notice of sale or consignment or Form 37.

(e) *Registration number.* Upon receipt of an acceptable Form 37, a registration number will be assigned by the New Orleans office, and a copy of Form 37 showing such number will be returned to the exporter. All correspondence relating to a sale or consignment for which a registration number has been assigned shall refer to the registration number.

(f) *Exporter's obligation.* The submission of a telegraphic notice of sale or consignment by the exporter shall result in a contract, subject to the terms and conditions of this subpart, under which the exporter is obligated to export to eligible destinations the quantity of cotton shown in such notice and to submit satisfactory evidence of such exportation in consideration of the obligation of CCC to make a payment under this subpart: *Provided,* That if CCC refuses to register the sale or consignment pursuant to paragraph (d) of this section, the contract shall become null and void.

§ 482.305 Cancellation of sale or failure to export.

(a) The exporter shall notify the New Orleans office promptly in every case where, after filing a telegraphic notice of sale, a sale is canceled in whole or in part by the exporter or by the importer, stating fully the reason for such cancellation. Such notification shall be by telegram, and if the sale is canceled in part, shall be confirmed by submission of a corrected Form 37 submitted in the same manner as provided in § 482.304. The exporter shall also notify the New Orleans office promptly when, for any other reason, it becomes apparent to him that he will not be able to fulfill his obligation under this subpart by making shipment within the period provided for export under this subpart.

(b) If the Director determines that the exporter has been or will be prevented from exporting, in accordance with the requirements of this subpart, all or a part of the cotton covered by a registered sale or consignment due to a cause occurring without his fault or negligence, the registration will be canceled with respect to such quantity of cotton. The exporter will be so informed by the Director, and if a corrected Form 37 was submitted by the exporter, a copy will be returned to the exporter.

(c) The program is designed to encourage the exportation through normal trade channels of surplus cotton held in private inventories and in CCC's stocks in order (1) to reduce the quantity of cotton which would otherwise be taken into CCC's stocks under its price support program, (2) to promote and expedite the orderly liquidation of CCC's stocks, and (3) to maintain and expand the market in friendly countries for United States-produced cotton. If the exporter files a telegraphic notice of sale or consignment and fails to export cotton to eligible destinations, in accordance with this subpart, in fulfillment of the export sale or consignment (except for the tolerance allowed by the sales contract or trade rules under which the sale was made, a two percent tolerance in the case of consignments, or as otherwise approved by CCC), and if the registration has not been canceled by CCC, as provided in paragraph (b) of this section, such breach of the contract between the exporter and CCC will result in damages to CCC. Inasmuch as failure of the exporter to export will cause serious or substantial losses to CCC, such as damages to CCC's export and price support programs, the incurrence of additional storage, administrative, and other costs, and increase the expenditures of CCC, and it will be difficult, if not impossible, to prove the exact amount of such damages, the exporter shall pay to CCC liquidated damages in an amount for each pound of such cotton not exported calculated at a rate equal to one cent per pound plus that amount, if any, by which the maximum payment rate in effect between (i) the date the telegraphic notice was filed, and (ii) the date the exporter gives notice of the cancellation of the sale or consignment or the final date for export, whichever is earlier, exceeds the payment rate on the date the telegraphic notice was filed. It is agreed by the exporter and CCC that the foregoing rate is a reasonable estimate of the probable actual damages that would be incurred by CCC. In addition to the foregoing, CCC may deny an exporter and its subsidiaries or affiliates the right to continue participating in this or any other program administered by CCC for such period as CCC may determine.

§ 482.306 Payment rate.

The rates of payment will be determined by the Executive Vice President, CCC, and announced from time to time by CCC. In the case of an export sale, the applicable rate of payment shall be the rate in effect on the date of sale: *Provided,* That in the case of a notice of sale filed after the applicable date specified in § 482.304 which is accepted by the Director, the rate of payment on the cotton exported under such sale will be the lower of the rate of payment in effect on the date of the export sale and the rate of payment in effect on the date on which the exporter files the notice of such sale. (The date of sale must be stated in the telegraphic notice and on Form 37 and must agree with the date shown on the documents required under § 482.310.) In the case of a consignment, the applicable rate of payment shall be the rate in effect on the date telegraphic notice of the consignment is filed.

§ 482.307 Amount due exporters.

The amount due an exporter will be determined by multiplying the applicable

payment rate by the actual gross weight of the cotton exported exclusive of any franchised weight and exclusive of patches. Payment will not be made on quantities exported which are in excess of the number of pounds shown on the Form 37 plus, in the case of export sales, any tolerance specified in the sales contract, including any tolerance contained in the trade rules specifically incorporated in the sales contract, or in case of consignments, a tolerance of two percent.

§ 482.308 Export conditions.

(a) *Eligible destination.* An eligible destination, to which cotton may be exported under this subpart, shall be any destination outside the continental United States, other than Alaska, Hawaii, or Puerto Rico, and other than a country covered in § 482.309(b), unless a license, if required, has been obtained from the Bureau of Foreign Commerce, U.S. Department of Commerce. It is the policy of CCC not to make payments on the export of cotton to countries or areas for which general or specific export licenses will not be issued by the Bureau of Foreign Commerce. Accordingly, in making application for an export payment under this announcement, the exporter makes the warranty contained in § 482.309(b).

(b) *Time for export.* To be eligible for payment under this subpart, cotton must be exported on or after August 1, 1960, and not later than July 31, 1961.

§ 482.309 Application for cotton export payment.

(a) *Application for payment.* After exporting cotton in fulfillment of a sale or consignment registered under this subpart, the exporter shall submit to the New Orleans office an original and two copies of Application for Cotton Export Payment, CCC Cotton Form 38 (referred to in this subpart as "Form 38"), together with satisfactory evidence of such exportation, as provided in § 482.310, not later than 30 days after the date of the landing certificate (for rail shipments), or on-board ocean bill of lading or on-board endorsement of port or custody bill of lading (for ocean shipments). An extension of the time for submission of the Form 38 will be granted by the Director if he determines that the exporter has been or will be delayed in submitting such form by a cause occurring without the fault or negligence of the exporter. The weight on which payment is claimed must agree with the weight in the exporter's affidavit as provided in § 482.310 (g). Supplies of Form 38 and detailed instructions regarding the preparation and submission of the form may be obtained from the New Orleans office.

(b) *Warranty.* By submitting a Form 38 to the New Orleans office, the exporter represents and warrants that the cotton covered by such Form 38 was not exported to, and has not and will not be transhipped or caused to be transhipped by the exporter to:

(1) Any country or area listed in Subgroup A of Group R of the Comprehensive Export Schedule issued by the Bureau of Foreign Commerce, U.S. Department of Commerce, unless a license for such exportation or transshipment thereto has been obtained from such Bureau; or

(2) Hong Kong or Macao if a specific license for such exportation or transshipment is required by regulations of the U.S. Department of Commerce under the Export Control Act of 1949, unless such specific license for such exportation or transshipment thereto has been obtained from the Bureau of Foreign Commerce, U.S. Department of Commerce.[1]

§ 482.310 Satisfactory evidence of exportation.

Evidence of exportation, to be satisfactory hereunder, must meet the following requirements unless otherwise approved by the Director:

(a) Separate documents must be submitted to the New Orleans office for each export shipment, and all documents covering any one shipment must be submitted at the same time. The registration number assigned by the New Orleans office must be shown on each document. If the export sale is financed under Public Law 480, the Purchase Authorization Number must also be shown on the documents evidencing exportation. Where exportation or transshipment has been made to one or more of the countries or areas described in § 482.309(b) under license issued by the U.S. Department of Commerce, Bureau of Foreign Commerce, evidence of exportation shall identify by license number, in addition to the name and address of the consignee, the license issued by that Bureau. In the case of an exportation or transshipment to Hong Kong or Macao, the general license "GHK" must be shown on the documents evidencing exportation.

(b) In the case of sales, there shall be submitted a certified true copy of the sales contract. (The sales contract may be a formal sales contract, sales confirmation, or other documentary evidence of the sale.) If more than one shipment is made under a sale, the documents constituting the contract need be submitted only on the first shipment.

(c) For shipments by ocean carrier, there shall be submitted a nonnegotiable copy of either (1) an on-board ocean bill of lading, or (2) a port or custody bill of lading with on-board endorsement. The bill of lading must be certified by the exporter as being a true copy and must show the number of bales, marks, and gross weight of the cotton, the date and place of loading, the name of the vessel, the destination of the cotton, and the name and address of both the person who exported the cotton and the person to whom it is shipped.

(d) For shipments by rail, there shall be submitted a copy of the railroad bill of lading, certified to by the exporter as being a true copy, under which the cotton is shipped, and an authenticated landing certificate or similar document issued by an official of the government of the country to which the cotton is exported, showing the number of bales, marks, the place and date of entry, and gross landed weight of the cotton, and the name and address of both the person who exported the cotton from the United States and the person to whom it is shipped.

(e) There shall be submitted a copy of the tag list showing the bale numbers under which the cotton is exported and containing a certification by the exporter that the cotton was produced in the continental United States, is of grades named in the Universal Standards for American Upland Cotton, is of staple lengths of $1\frac{3}{16}$-inch or longer, and unless a Form A certificate is included, as provided in paragraph (f) of this section, that the cotton is not reginned or repacked. Such tag list shall be sworn to by the exporter as true and correct.

(f) If the cotton exported is reginned or repacked cotton, as defined in § 482.302, there shall be submitted a Form A of a Board of Cotton Examiners showing that the cotton was $1\frac{3}{16}$-inch or longer in staple length and of a grade named in the Universal Standards for American Upland Cotton.

(g) There shall be furnished an affidavit of the exporter reflecting, in relation to each bill of lading, the actual gross weight of the cotton shipped exclusive of any franchised weight and exclusive of patches. The weights shown must agree with the weight claimed on the Form 38.

(h) If the shipper or consignor named in the bill of lading or landing certificate is other than the exporter named in the Form 37, waiver by such shipper or consignor of any interest in the claim in favor of such exporter is required. Such waiver must clearly identify the bill of lading or landing certificate submitted to evidence exportation. If the shipper or consignor is neither the exporter named in the Form 37 nor the consignee identified with the sale contract, the exporter must submit, in addition to the waiver, a certification by such shipper or consignor that he acted only as a freight forwarder, agent of exporter, or agent or consignee, and not as seller or purchaser of the cotton shown on the documents submitted to evidence exportation.

(i) The exporter shall also furnish promptly any additional evidence of exportation which may be requested by the Director.

(j) If cotton is loaded on board a vessel for shipment to an eligible destination and is destroyed or damaged while on board such vessel, and the cotton or the salvage therefrom does not reenter the continental United States and does not enter Alaska, Hawaii, or Puerto Rico, or countries designated in § 482.309(b) without a license, the cotton shall be regarded as having been exported for the purposes of this subpart.

(k) Failure of the exporter to furnish satisfactory evidence of exportation within 30 days after the final date of

[1] Information to exporters: The Department of Commerce regulations prohibit exportation or re-exportation by anyone, including a foreign exporter, of the cotton exported pursuant to the terms of this announcement, to Soviet Bloc countries and other prohibited areas. The attention of the exporter is invited to the "Notice to Exporters" which accompanies this announcement.

exportation, determined in accordance with § 482.308, shall constitute prima facie evidence of failure to export.

§ 482.311 Cotton Export Payment Certificates.

Upon receipt of a properly prepared Form 38, together with satisfactory evidence of exportation (as provided in § 482.310) of cotton in fulfillment of an export sale or consignment registered under this subpart, the New Orleans office will issue to the exporter a Cotton Export Payment Certificate (CCC Cotton Form 40) for the amount due, subject to the following terms and conditions:

(a) *Payee.* Except as provided in § 482.312, the certificate will be issued only to the exporter who registered the sale or consignment.

(b) *Face value.* The face value of the certificate, which will be shown in the space provided on the certificate, will be the amount due the exporter determined in accordance with § 482.307. More than one certificate in face values totaling the amount due the exporter will be issued in connection with a shipment if requested by the exporter.

(c) *Redemption.* The certificate will be redeemable by CCC in payment for upland cotton purchased for unrestricted use under CCC sales announcements providing for acceptance of such certificate. If the Executive Vice President, CCC, determines it necessary in order to prevent certificates from being generally sold at discounts which will substantially affect their value to the exporters who earned the certificates, CCC will, upon such terms and conditions as may be announced by the Executive Vice President, permit redemption of certificates in payment for upland cotton purchased for export on a competitive basis at not less than the domestic market price, and the exporter will be eligible to receive a certificate of the same general type as provided in this subpart upon the exportation of such cotton or substitute cotton in accordance with terms and conditions announced by the Executive Vice President. At its option, CCC may redeem certificates for cash.

(d) *Transfer.* The certificate may be transferred to any person or firm. The certificate must be endorsed by the named payee and the holder who presents it to CCC.

(e) *Expiration.* All certificates shall expire July 31, 1961, or 90 days after the date of the certificate, whichever is later, and thereafter will not be redeemable by CCC.

§ 482.312 Assignments.

No exporter shall, without the written consent of CCC, assign any right to an export payment under this subpart, except that certificates received by him may be transferred by endorsement as provided in § 482.311.

§ 482.313 Records and reports.

The exporter shall make available to CCC from time to time, upon CCC's request, such information and reports, and such of the exporter's and such of his affiliates' and subsidiaries' books, records, and accounts and other documents and papers as CCC may deem pertinent to any transaction hereunder. Such records shall be maintained for a period of three years after date of last payment under any sales registration.

§ 482.314 Amendment or termination.

CCC reserves the right to amend or terminate any and all of the provisions of this subpart at any time by giving public notice thereof: *Provided, however,* That such amendment or termination shall not apply to export sales of cotton or consignments for which the exporter has filed notices of sale or consignment before the effective date of such amendment or termination.

§ 482.315 Good faith.

If CCC, after affording the exporter an opportunity to present evidence, determines that such exporter has not acted in good faith in connection with any transaction under this program, such exporter may be denied the right to continue participating in the program or the right to receive payments in connection with sales previously registered, or both. Such exporter may also be required to return certificates or refund cash to CCC in an amount equal to the amount of the certificates received by him in connection with the transaction in which he is determined not to have acted in good faith. Any such action shall not affect any other right of CCC by way of the premises.

§ 482.316 Persons not eligible.

No Member of or Delegate to Congress, or Resident Commissioner, shall be admitted to any benefit that may arise from the program, but this provision shall not be construed to extend to a payment made to a corporation for its general benefit.

NOTE. The recordkeeping and reporting requirements of this announcement have been approved by and subsequent reporting requirements will be subject to the approval of the Bureau of the Budget in accordance with the Reports Act of 1942.

Issued this 13th day of April 1960.

CLARENCE D. PALMBY,
Acting Executive Vice President,
Commodity Credit Corporation.

NOTICE TO EXPORTERS

(Revision of October 21, 1958)

The Department of Commerce, Bureau of Foreign Commerce (BFC), pursuant to regulations under the Export Control Act of 1949, prohibits the exportation or re-exportation by anyone of any commodities under this program to the Soviet Bloc, or Communist-controlled areas of the Far East including Communist China, North Korea, and the Communist-controlled areas of Vietnam, except under validated license issued by the U.S. Department of Commerce, Bureau of Foreign Commerce. A validated license is also required for shipment to Hong Kong or Macao unless the commodity is included on the General License GHK list.

These regulations generally require that exporters, in or in connection with their contracts with foreign purchasers, where the contract involves $10,000 or more and exportation is to be made to a Group R country, obtain from the foreign purchaser a written acknowledgment of his understanding of (1) U.S. Commerce Department prohibitions (Comprehensive Export Schedule, 15 CFR 371.4 and 371.8) against sales or resale for re-export of said commodities, or any part thereof, without express Commerce Department authorization, to the Soviet Bloc, Communist China, North Korea, or the Communist-controlled area of Vietnam or to Hong Kong or Macao unless the commodity is on the General License GHK list (CES, 15 CFR 371.23), and (2) the sanction of denial of future U.S. export privileges that may be imposed for violation of the Commerce Department regulations. Exporters who have a continuing and regular relationship with a foreign purchaser may obtain a blanket acknowledgment from such purchaser covering all transactions involving surplus agricultural commodities and manufactures thereof purchased from CCC or subsidized for export by that agency. Where commodities are to be exported by a party other than the original purchaser of the commodities from the CCC, the original purchaser should inform the exporter in writing of the requirement for obtaining the signed acknowledgment from the foreign purchaser.

For all exportations, one of the destination control statements specified in BFC Regulation (Comprehensive Export Schedule, 15 CFR § 379.10(c)) is required to be placed on all copies of the shipper's export declaration, all copies of the bill of lading, and all copies of the commercial invoices. For additional information as to which destination control statement to use, the exporter should communicate with the Bureau of Foreign Commerce or one of the field offices of the Department of Commerce.

[F.R. Doc. 60-3487; Filed, Apr. 15, 1960; 8:49 a.m.]

Title 7—AGRICULTURE

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

SUBCHAPTER A—MARKETING ORDERS

[Valencia Orange Reg. 193]

PART 922—VALENCIA ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

Limitation of Handling

§ 922.493 Valencia Orange Regulation 193.

(a) *Findings.* (1) Pursuant to the marketing agreement and Order No. 22, as amended (7 CFR Part 922), regulating the handling of Valencia oranges grown in Arizona and designated part of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the basis of the recommendations and information submitted by the Valencia Orange Administrative Committee, established under the said marketing agreement and order, as amended, and upon other available information, it is hereby found that the limitation of handling of such Valencia oranges as hereinafter provided will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication hereof in the FEDERAL REGISTER (5 U.S.C. 1001–1011) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for Valencia oranges and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such Valencia oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on April 14, 1960.

(b) *Order.* (1) The respective quantities of Valencia oranges grown in Arizona and designated part of California which may be handled during the period beginning at 12:01 a.m., P.s.t., April 17, 1960, and ending at 12:01 a.m., P.s.t., April 24, 1960, are hereby fixed as follows:

(i) District 1: 250,000 cartons;

(ii) District 2: 170,718 cartons;

(iii) District 3: 50,000 cartons.

(2) All Valencia oranges handled during the period specified in this section are subject also to all applicable size restrictions which are in effect pursuant to this part during such period.

(3) As used in this section, "handled," "handler," "District 1," "District 2," "District 3," and "carton" have the same meaning as when used in said marketing agreement and order, as amended.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: April 15, 1960.

S. R. SMITH,
Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 60–3557; Filed, Apr. 15, 1960; 11:20 a.m.]

[Lemon Reg. 842]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

§ 953.949 Lemon Regulation 842.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953; 23 F.R. 9053), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons as hereinafter provided will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication hereof in the FEDERAL REGISTER (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when information upon which this section is based becomes available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for lemons and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on April 12, 1960.

(b) *Order.* (1) The respective quantities of lemons grown in California and Arizona which may be handled during the period beginning at 12:01 a.m., P.s.t., April 17, 1960, and ending at 12:01 a.m., P.s.t., April 24, 1960, are hereby fixed as follows:

(i) District 1: 4,650 cartons;

(ii) District 2: 288,300 cartons;

(iii) District 3: Unlimited movement.

(2) As used in this section, "handled," "District 1," "District 2," "District 3," and "carton" have the same meaning as when used in the said amended marketing agreement and order.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated April 14, 1960.

S. R. SMITH,
Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 60–3523; Filed, Apr. 15, 1960; 8:52 a.m.]

[Lime Order 8]

PART 1001—LIMES GROWN IN FLORIDA

Quality and Size Regulation

§ 1001.308 Lime Order 8.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 101, as amended (7 CFR Part 1001), regulating the handling of limes grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendations of the Florida Lime Administrative Committee, established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of limes, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (5 U.S.C. 1001–1011) in that, as hereinafter set forth, the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective not later than April 18, 1960. Shipments of designated varieties of Florida limes are currently being made; determinations as to the need for, and extent of, regulation of Florida lime shipments must await the development of the crop and the availability of information on the demand for such fruit; the recommendations and supporting information for regulation of lime shipments on and after April 18, 1960, in the manner herein provided, were promptly submitted to the Department after an open meeting

of the Florida Lime Administrative Committee on April 12, 1960, held to consider recommendations for regulations; the provisions of this section are identical with the aforesaid recommendations of the committee, and information concerning such provisions has been disseminated among handlers of Florida limes; it is necessary, in order to effectuate the declared policy of the act, to make this section effective as hereinafter set forth; and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order.* (1) During the period beginning at 12:01 a.m., e.s.t., April 18, 1960, and ending at 12:01 a.m., e.s.t., May 16, 1960, no handler shall handle:

(i) Any limes of the group known as true limes (also known as Mexican, West Indian, and Key limes and by other synonyms), grown in the production area, which do not meet the requirements of at least U.S. No. 2 grade for Persian (Tahiti) limes, except as to color;

(ii) Any limes of the group known as large fruited or Persian limes (including Tahiti, Bearss, and similar varieties), grown in the production area, which do not grade at least U.S. No. 2 Mixed Color;

(iii) Any limes of the group known as large fruited or Persian limes (including Tahiti, Bearss, and similar varieties), grown in the production area, which are smaller than 1⅝ inches in diameter: *Provided,* That not to exceed 10 percent, by count, of the limes in any container may fail to meet this requirement; or

(iv) Any limes of the group known as large fruited or Persian limes (including Tahiti, Bearss, and similar varieties), grown in the production area, which are smaller than 1⅞ inches in diameter which do not have an average juice content of at least 48 percent, by volume: *Provided,* That such juice content shall not apply to containers of limes containing not in excess of 10 percent of limes smaller than 1⅞ inches in diameter.

(2) During the period beginning at 12:01 a.m., e.s.t., May 16, 1960, and ending at 12:01 a.m., e.s.t., May 30, 1960, no handler shall handle:

(i) Any limes of the group known as true limes (also known as Mexican, West Indian, and Key limes and by other synonyms), grown in the production area, which do not meet the requirements of at least U.S. No. 2 grade for Persian (Tahiti) limes, except as to color;

(ii) Any limes of the group known as large fruited or Persian limes (including Tahiti, Bearss, and similar varieties), grown in the production area, which do not grade at least U.S. Combination, Mixed Color;

(iii) Any limes of the group known as large fruited or Persian limes (including Tahiti, Bearss, and similar varieties), grown in the production area, which are smaller than 1¾ inches in diameter: *Provided,* That not to exceed 10 percent, by count, of the limes in any container may fail to meet this requirement; or

(iv) Any limes of the group known as large fruited or Persian limes (including Tahiti, Bearss, and similar varieties), grown in the production area, which are smaller than 1⅞ inches in diameter which do not have an average juice content of at least 48 percent, by volume: *Provided,* That such juice content shall not apply to containers of limes containing not in excess of 10 percent of limes smaller than 1⅞ inches in diameter.

(3) During the period beginning at 12:01 a.m., e.s.t., May 30, 1960, and ending at 12:01 a.m., e.s.t., April 30, 1961, no handler shall handle:

(i) Any limes of the group known as true limes (also known as Mexican, West Indian, and Key limes and by other synonyms), grown in the production area, which do not meet the requirements of at least U.S. No. 2 grade for Persian (Tahiti) limes, except as to color;

(ii) Any limes of the group known as large fruited or Persian limes (including Tahiti, Bearss, and similar varieties), grown in the production area, which do not grade at least U.S. Combination, Mixed Color, with not less than 75 percent, by count, of the limes in any lot, and not less than 65 percent, by count, of the limes in any container in such lot grading at least U.S. No. 1, Mixed Color;

(iii) Any limes of the group known as large fruited or Persian limes (including Tahiti, Bearss, and similar varieties), grown in the production area, which are smaller than 1¾ inches in diameter: *Provided,* That not to exceed 10 percent, by count, of the limes in any container may fail to meet this requirement; or

(iv) Any limes of the group known as large fruited or Persian limes (including Tahiti, Bearss, and similar varieties), grown in the production area, which are smaller than 1⅞ inches in diameter which do not have an average juice content of at least 48 percent, by volume: *Provided,* That such juice content shall not apply to containers of limes containing not in excess of 10 percent of limes smaller than 1⅞ inches in diameter.

(4) Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade and diameter, as used herein, shall have the same meaning as is given to the respective term in the United States Standards for Persian (Tahiti) Limes (§§ 51.1000–51.1016 of this title).

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: April 14, 1960.

S. R. SMITH,
Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 60-3525; Filed, Apr. 15, 1960; 8:52 a.m.]

SUBCHAPTER B—PROHIBITIONS OF IMPORTED COMMODITIES

[Lime Reg. 4; Lime Reg. 3 Terminated]

PART 1069—LIMES

Importation

§ 1069.4 Lime Regulation No. 4.

(a) On and after the effective time of this section, the importation into the United States of any lot of limes which in the aggregate exceeds 250 pounds, net weight, is prohibited except in accordance with the following terms and conditions:

(1) To be eligible for importation during the period beginning at 12:01 a.m., e.s.t., April 18, 1960, and ending at 12:01 a.m., e.s.t., May 16, 1960:

(i) Such limes of the group known as true limes (also known as Mexican, West Indian, and Key limes and by other synonyms) meet the requirements of at least the U.S. No. 2 grade for Persian (Tahiti) limes, except as to color;

(ii) Such limes of the group known as large fruited or Persian limes (including Tahiti, Bearss, and similar varieties) meet the requirements of at least the U.S. No. 2, Mixed Color grade;

(iii) Such limes of the group known as large fruited or Persian limes (including Tahiti, Bearss, and similar varieties) are of a size not smaller than 1⅝ inches in diameter: *Provided,* That not to exceed 10 percent, by count, of the limes in any container may fail to meet this requirement; and

(iv) Such limes of the group known as large fruited or Persian limes (including Tahiti, Bearss, and similar varieties) which are smaller than 1⅞ inches in diameter have an average juice content of at least 48 percent, by volume: *Provided,* That such juice requirement shall not apply to containers of such limes containing not in excess of 10 percent of limes smaller than 1⅞ inches in diameter.

(2) To be eligible for importation during the period beginning at 12:01 a.m., e.s.t., May 16, 1960, and ending at 12:01 a.m., e.s.t., May 30, 1960:

(i) Such limes of the group known as true limes (also known as Mexican, West Indian, and Key limes and by other synonyms) meet the requirements of at least the U.S. No. 2 grade for Persian (Tahiti) limes, except as to color;

(ii) Such limes of the group known as large fruited or Persian limes (including Tahiti, Bearss, and similar varieties) meet the requirements of at least the U.S. Combination, Mixed Color grade;

(iii) Such limes of the group known as large fruited or Persian limes (including Tahiti, Bearss, and similar varieties) are of a size not smaller than 1¾ inches in diameter: *Provided,* That not to exceed 10 percent, by count, of the limes in any container may fail to meet this requirement; and

(iv) Such limes of the group known as large fruited or Persian limes (including Tahiti, Bearss, and similar varieties) which are smaller than 1⅞ inches in diameter have an average juice content of at least 48 percent, by volume: *Provided,* That such juice requirement shall not apply to containers of such limes containing not in excess of 10 percent of limes smaller than 1⅞ inches in diameter.

(3) To be eligible for importation on and after 12:01 a.m., e.s.t., May 30, 1960:

(i) Such limes of the group known as true limes (also known as Mexican, West Indian, and Key limes and by other synonyms) meet the requirements of at least the U.S. No. 2 grade for Persian (Tahiti) limes, except as to color;

(ii) Such limes of the group known as large fruited or Persian limes (including Tahiti, Bearss, and similar varieties) meet the requirements of at least the U.S. Combination, Mixed Color grade with not less than 75 percent, by count, of such limes in any lot, and not less than 65 percent, by count, of such limes in any container in such lot meeting the requirements of the U.S. No. 1, Mixed Color grade;

(iii) Such limes of the group known as large fruited or Persian limes (including Tahiti, Bearss, and similar varieties) are of a size not smaller than 1¾ inches in diameter: *Provided,* That not to exceed 10 percent, by count, of the limes in any container may fail to meet this requirement; and

(iv) Such limes of the group known as large fruited or Persian limes (including Tahiti, Bearss, and similar varieties) which are smaller than 1⅞ inches in diameter have an average juice content of at least 48 percent, by volume: *Provided,* That such juice requirement shall not apply to containers of such limes containing not in excess of 10 percent of limes smaller than 1⅞ inches in diameter.

(b) Each such importation is made in conformance with the General Regulation (Part 1060 of this chapter) applicable to the importation of listed commodities and the requirements of this regulation: *Provided,* That the provisions of § 1060.4(e) of this chapter (General Regulations) shall not apply.

(c) The Federal Inspection Service is hereby designated to perform, through inspectors authorized or licensed by such Service, the inspection and certification prescribed in § 1060.3 of this chapter (General Regulations). Such inspection and certification services will be available upon application in accordance with the rules and regulations governing inspection and certification of fresh fruits, vegetables, and other products (Part 51 of this title) but, since inspectors are not located in the immediate vicinity of some of the small ports of entry, such as those in southern California, importers of limes should make arrangements for inspection, through the applicable one of the following offices, at least the specified number of days prior to the time when the limes will be imported:

Ports	Office	Advance notice
All Texas points.	W. T. McNabb, McClendon Bldg., P. O. Box 222, 305 E. Jackson, Harlingen, Tex. (Tel.: Garfield 3-5644).	1 day.
All Arizona points.	R. H. Bertelson, Room 202, Trust Bldg., 305 American Ave., P.O. Box 1646, Nogales, Ariz. (Tel.: Atwater 7-2902).	Do.
All California points.	Carley D. Williams, 294 Wholesale Terminal Bldg., 784 S. Central Ave., Los Angeles 21, Calif. (Tel.: Madison 2-8756).	3 days.
All other points.	E. E. Conklin, Chief, Fresh Products Standardization and Inspection Branch, Fruit and Vegetable Division, AMS, Washington 25, D.C. (Tel.: Dudley 8-5870).	Do.

(d) Terms relating to grade and diameter shall, when used herein, have the same meaning as is given to the respective terms in the United States Standards for Persian (Tahiti) Limes (§§ 51.1000–51.1016 of this title) and all other terms shall have the same meaning as is given to the respective terms in the General Regulations. Copies of the aforesaid standards may be obtained upon request to any office of the Federal or Federal-State Inspection Service of this Department.

Termination of Lime Regulation No. 3, as amended. Lime Regulation No. 3, as amended (7 CFR 1069.3), is hereby terminated at the effective time hereof.

It is hereby found that it is impracticable, unnecessary, and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective time of this regulation beyond that hereinafter specified (5 U.S.C. 1001–1011) in that (a) the requirements of this import regulation are imposed pursuant to section 8e of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), which makes such regulation necessary; (b) such regulation imposes the same restrictions on imports of limes as the grade, size, and quality restrictions applicable to the shipment of limes grown in Florida under Lime Order 8 (§ 1001.308); (c) compliance with this import regulation will not require any special preparation which cannot be completed by the effective time hereof; and (d) this regulation relieves restrictions on the importation of Persian limes during the period April 18, 1960, to May 30, 1960.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: April 14, 1960, to become effective at 12:01 a.m., e.s.t., April 18, 1960.

S. R. SMITH,
Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 60–3526; Filed, Apr. 15, 1960; 8:52 a.m.]

[1015.303 Amdt. 5]

PART 1015—CUCUMBERS GROWN IN FLORIDA

Limitation of Shipments

Findings. (a) Pursuant to Marketing Agreement No. 118 and Order No. 115 (7 CFR Part 1015) regulating the handling of cucumbers grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendations and information submitted by the Florida Cucumber Committee, established pursuant to said marketing agreement and order, and upon other available information, it is hereby found that the amendment to the limitation of shipments, as hereinafter provided, will tend to effectuate the declared policy of the Act.

(b) It is hereby found that it is impracticable, unnecessary, and contrary to the public interest to give preliminary notice and engage in public rule making procedure, and that good cause exists for not postponing the effective date of this amendment for 30 days after publication in the FEDERAL REGISTER (5 U.S.C. 1001–1011) in that (1) the time intervening between the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the act is insufficient, (2) more orderly marketing in the public interest, than would otherwise prevail, will be promoted by regulating the shipment of cucumbers, in the manner set forth below, on and after the effective date of this amendment, (3) compliance with this amendment will not require any special preparation on the part of handlers which cannot be completed by the effective date, (4) reasonable time is permitted under the circumstances for such preparation, (5) information regarding the committee's recommendations has been made available to producers and handlers in the production area, and (6) this amendment relieves restrictions on the handling of cucumbers grown in the production area.

Order, as amended. In § 1015.303 (24 F.R. 7863, 8089, 8542, 9708; 25 F.R. 2512), paragraph (a)(2) is hereby amended to read as follows:

§ 1015.303 Limitation of shipments.

* * * * *

(a) *Minimum grade requirements.*

* * *

(2) During the period from March 23, 1960, to April 25, 1960, any lot of cucumbers failing to grade U.S. No. 2 but having not more than an average of one (1) percent decay may be handled.

(Sec. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: April 12, 1960, to become effective April 12, 1960.

S. R. SMITH,
Director, Fruit and Vegetable Division.

[F.R. Doc. 60–3478; Filed, Apr. 15, 1960; 8:47 a.m.]

[Cucumber Reg.; Amdt. 3]

PART 1070—CUCUMBERS

Import Restrictions

Pursuant to the requirements contained in section 8e of the Agricultural Marketing Agreement Act of 1937, as amended (secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674), paragraph (a) *Import restrictions* of § 1070.3 Cucumber Regulation No. 3 (24 F.R. 8717, 9780, 25 F.R. 2515) is hereby amended to read as follows:

(a) *Import restrictions.* Effective March 23, 1960, and subsequent to that date as specified herein, no person may import cucumbers unless such cucumbers meet the following minimum or better requirements:

(1) From March 23, 1960, to April 25, 1960, unclassified cucumbers which fail to meet U.S. No. 2 grade, but which do not average more than one (1) percent decay;

(2) From April 25, 1960, through July 31, 1960, U.S. No. 2, or better grade;

(3) The requirements of this paragraph except for decay shall not be applicable to cucumbers of the Kirby, MR 17, or other pickling type cucumbers of similar varietal characteristics.

It is hereby found that it is impractical, unnecessary, and contrary to the public interest to give preliminary notice, engage in public rule making procedure, and postpone the effective date of this amendment beyond the date specified (5 U.S.C. 1001–1011) in that (i) the requirements established by this amended import regulation are issued pursuant to section 8e of the Agricultural Marketing Agreement Act of 1937, as amended, which makes such amended regulation mandatory;

(ii) The regulations hereby established for cucumbers that may be imported into the United States comply with grade, size, quality, and maturity restrictions imposed upon domestic cucumbers under Marketing Agreement No. 118 and Order No. 115 (§ 1015.303 of this title, 24 F.R. 7863, 8089, 8542, 9708, 25 F.R. 2512);[1]

(iii) Compliance with this amended cucumber import regulation should not require any special preparation by importers which cannot be completed by the effective date hereof; and

(iv) This amendment relieves restrictions on the importation of cucumbers.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: April 12, 1960, to become effective April 12, 1960.

S. R. SMITH,
Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 60-3479; Filed, Apr. 15, 1960; 8:47 a.m.]

Title 13—BUSINESS CREDIT AND ASSISTANCE

Chapter I—Small Business Administration

SUBCHAPTER B—REGULATIONS UNDER THE SMALL BUSINESS INVESTMENT ACT OF 1958

[Amdt. 3]

PART 107—SMALL BUSINESS INVESTMENT COMPANIES

Financing, Consulting, and Advisory Services

There was published in the FEDERAL REGISTER on February 20, 1960 (25 F.R. 1528) a proposal to further amend, among other sections, § 107.308–7 of Part 107 of Subchapter B, Chapter I of Title 13 of the Code of Federal Regulations, by adding thereto a new paragraph (d). Although new paragraph (d) has not yet been added by amendment, the following amendment to § 107.308–7 adds thereto a new paragraph (e).

The Small Business Investment Companies Regulation (23 F.R. 9383), as amended (25 F.R. 1397, 25 F.R. 2354), is hereby further amended by adding at the end of § 107.308–7 the following new paragraph (e) which reads as follows:

(e) No financing or consulting or advisory services may be provided by a Licensee to a business concern unless the Licensee and such concern have executed SBA Form 480,[1] Size Status Declaration, and, based upon the information contained therein and otherwise, the Licensee has determined that the business concern is a small business within the meaning of the definition of "small business concern" set forth in § 107.103–1; or at the request of the Licensee or the concern, SBA has determined that the subject business concern is a small business concern within the meaning of § 107.103–1. In the event financing or services are approved by a Licensee for a small business concern, the Licensee shall retain the completed SBA Form 480 as a permanent part of the concern's record with the Licensee.

Effective date. Because this amendment makes only a technical and procedural change and because this amendment is issued to insure immediate compliance with the intent of the Small Business Investment Act of 1958, compliance with the notice, procedural and effective date requirements of section 4 of the Administrative Procedure Act is hereby found to be contrary to the public interest. Therefore, this amendment shall become effective upon publication in the FEDERAL REGISTER.

(Sec. 308, Pub. Law 85–699, 72 Stat. 694)

PHILIP MCCALLUM,
Administrator.

[F.R. Doc. 60-3475; Filed, Apr. 15, 1960; 8:47 a.m.]

[1] See Title 7, Chapter IX, Part 1015, *supra.*

[1] Filed with the Federal Register Division as part of the original document. Copies of SBA Form 480, Size Status Declaration, together with instructions, are available at the Office of the Administrator of the Small Business Administration, 811 Vermont Avenue NW., Washington 25, D.C., and at all Regional Offices of the Small Business Administration the addresses of which offices may be obtained from the Office of the Administrator of the Small Business Administration, 811 Vermont Avenue NW., Washington 25, D.C.

Title 14—AERONAUTICS AND SPACE

Chapter III—Federal Aviation Agency

SUBCHAPTER E—AIR NAVIGATION REGULATIONS

[Airspace Docket No. 59–FW–8]

PART 600—DESIGNATION OF FEDERAL AIRWAYS

Modification

On February 10, 1960, a notice of proposed rule making was published in the FEDERAL REGISTER (25 F.R. 1162) stating that the Federal Aviation Agency proposed to modify the segment of VOR Federal airway No. 97 between Knoxville, Tenn., and Cincinnati, Ohio.

No adverse comments were received regarding the proposed amendment.

Interested persons have been afforded an opportunity to participate in the making of the rule herein adopted, and due consideration has been given to all relevant matter presented.

The substance of the proposed amendment having been published, therefore, pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) and for the reasons stated in the notice, the following action is taken:

In the text of § 600.6097 (24 F.R. 10514, 25 F.R. 857) "London, Ky., omnirange station; Lexington, Ky., omnirange station; Cincinnati, Ohio, omnirange station, including an east alternate via the Falmouth, Ky., VOR;" is deleted and "London, Ky., VOR including an E alternate via the Knoxville VOR 013° True and the London VOR 141° True radials and also a W alternate via the Knoxville VOR 321° True and the London VOR 201° True radials; Lexington, Ky., VOR; Cincinnati, Ohio, VOR, including an E alternate from the London VOR to the Cincinnati VOR via the INT of the London VOR 004° True with the Lexington VOR 107° True radials, and the Falmouth, Ky., VOR;" is substituted therefor.

This amendment shall become effective 0001 e.s.t., June 2, 1960.

(Secs. 307(a), 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on April 11, 1960.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 60-3462; Filed, Apr. 15, 1960; 8:45 a.m.]

[Airspace Docket No. 59–AN–9]

PART 600—DESIGNATION OF FEDERAL AIRWAYS

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, AND POSITIVE CONTROL ROUTE SEGMENTS

Designation of Federal Airway and Associated Control Areas

On January 12, 1960, a notice of proposed rule making was published in the FEDERAL REGISTER (25 F.R. 220) stating that the Federal Aviation Agency proposed to designate Blue Federal airway No. 2 and associated control areas from Sitka, Alaska, to Sisters Island, Alaska.

No adverse comments were received regarding the proposed amendments.

Interested persons have been afforded an opportunity to participate in the making of the rules herein adopted, and due consideration has been given to all relevant matter presented.

The substance of the proposed amendments having been published, therefore, pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) and for the reasons stated in the notice, the following actions are taken:

In Parts 600 (24 F.R. 10487) and 601 (24 F.R. 10530), the following sections are added:

§ 600.602 Blue Federal airway No. 2 (Sitka, Alaska, to Sisters Island, Alaska).

From the Sitka, Alaska, RR to the Sisters Island, Alaska, RBN.

§ 601.602 Blue Federal airway No. 2 control areas (Sitka, Alaska, to Sisters Island, Alaska).

All of Blue Federal airway No. 2.

These amendments shall become effective 0001 e.s.t., June 2, 1960.

(Secs. 307(a), 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on April 11, 1960.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 60-3461; Filed, Apr. 15, 1960; 8:45 a.m.]

[Airspace Docket No. 59-FW-40]

PART 600—DESIGNATION OF FEDERAL AIRWAYS

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, AND POSITIVE CONTROL ROUTE SEGMENTS

Modification of Federal Airway and Associated Control Areas

On February 10, 1960, a notice of proposed rule making was published in the FEDERAL REGISTER (25 F.R. 1162) stating that the Federal Aviation Agency proposed to modify and extend VOR Federal airway No. 134 from Evergreen, Ala., to Atlanta, Ga.

No adverse comments were received regarding the proposed amendments.

Interested persons have been afforded an opportunity to participate in the making of the rules herein adopted, and due consideration has been given to all relevant matter presented.

The substance of the proposed amendments having been published, therefore, pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) and for the reasons stated in the notice, §§ 600.6134 (24 F.R. 10517) and 601.6134 (24 F.R. 10601) are amended to read:

§ 600.6134 VOR Federal airway No. 134 (Evergreen, Ala., to Atlanta, Ga.).

From the Evergreen, Ala., VOR via the INT of the Evergreen VOR 075° True and the Tuskegee, Ala., VOR 220° True radials; Tuskegee, Ala., VOR; INT of the Tuskegee VOR 053° True and the Columbus, Ga., VOR 011° True radials; INT of the Columbus VOR 011° True and the Atlanta VORTAC 233° True radials; to the Atlanta, Ga., VORTAC.

§ 601.6134 VOR Federal airway No. 134 control areas (Evergreen, Ala., to Atlanta, Ga.).

All of VOR Federal airway No. 134.

These amendments shall become effective 0001 e.s.t., June 2, 1960.

(Secs. 307(a), 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on April 11, 1960.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 60-3463; Filed, Apr. 15, 1960; 8:45 a.m.]

[Airspace Docket No. 59-NY-16]

PART 600—DESIGNATION OF FEDERAL AIRWAYS

PART 608—RESTRICTED AREAS

Modifications

On December 23, 1959, a notice of proposed rule-making was published in the FEDERAL REGISTER (24 F.R. 10463) stating that the Federal Aviation Agency proposed to increase the designated altitude and modify the time of designation of the West Point, N.Y., Restricted Area (R-93) (New York Chart).

Although not mentioned in the notice, § 600.6034 of the regulations of the Administrator which describes VOR Federal airway No. 34 excludes Restricted Area (R-93) between its designated altitudes and during its time of designation. The modification of Restricted Area (R-93) thus requires that the description of Victor 34 be changed, and this action is being taken herein.

No adverse comment was received regarding the proposed amendments.

Interested persons have been afforded an opportunity to participate in the making of the rules herein adopted, and due consideration has been given to all relevant matter received.

In consideration of the foregoing, the following action is taken:

1. In § 608.40 the West Point, N.Y., Restricted Area (R-93) (New York Chart) (23 F.R. 8585) is amended as follows:

Designated altitudes. Delete "Surface to 6000 feet MSL," and substitute therefor "Surface to 7000 feet MSL."

Time of designation. Delete "Daylight hours only, March 1 through November 1, annually." and substitute therefor "0600 to 1600 EST, Monday through Saturday, May 1 through August 31, annually."

2. In the text of § 600.6034 *VOR Federal airway No. 34 (Rochester, N.Y., to Wilton, Conn.).* (24 F.R. 10510), delete "The portion of this airway below 6000 feet above mean sea level, within the West Point Restricted Area (R-93), is excluded daily from sunrise to sunset during the period from March 1, to November 1, each year." and substitute therefor "The portion of this airway which lies within the geographic limits of, and between the designated altitudes of, the West Point Restricted Area (R-93) is excluded during the Restricted Area's time of designation."

These amendments shall become effective 0001 e.s.t., June 2, 1960.

(Secs. 307(a), 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on April 11, 1960.

E. R. QUESADA,
Administrator.

[F.R. Doc. 60-3458; Filed, Apr. 15, 1960; 8:45 a.m.]

[Airspace Docket No. 59-AN-8]

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, AND POSITIVE CONTROL ROUTE SEGMENTS

Designation of Control Zone

On December 23, 1959, a notice of proposed rule making was published in the FEDERAL REGISTER (22 F.R. 10459) stating that the Federal Aviation Agency was considering an amendment to § 601.1984 of the Regulations of the Administrator by designating a 5-mile radius control zone at Juneau, Alaska.

No adverse comments were received regarding the proposed amendment.

Interested persons have been afforded an opportunity to participate in the making of the rule herein adopted, and due consideration has been given to all relevant matter presented.

The substance of the proposed amendment having been published, therefore, pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) and for the reasons stated in the notice, § 601.1984 (24 F.R. 10570) is amended by adding the following:

§ 601.1984 Five-mile radius zones.

Juneau, Alaska: Juneau Municipal Airport (latitude 58°21'30" N., longitude 134°35'00" W.).

This amendment shall become effective 0001 e.s.t., June 2, 1960.

(Secs. 307(a), 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on April, 11, 1960.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 60-3464; Filed, Apr. 15, 1960; 8:45 a.m.]

[Airspace Docket No. 59-KC-29]

PART 608—RESTRICTED AREAS

Designation of Restricted Area/Military Climb Corridor

On November 11, 1959, a notice of proposed rule-making was published in the FEDERAL REGISTER (24 F.R. 9214) stating that the Federal Aviation Agency was proposing to designate a Restricted Area/Military Climb Corridor at Minot Air Force Base, Minot, N. Dak.

No comments were received regarding the proposed amendment.

Interested persons have been afforded an opportunity to participate in the making of the rule herein adopted, and due consideration has been given to all relevant matter presented.

For the reasons set forth in the notice, the proposed amendment is hereby adopted without change and set forth below:

In § 608.42 *North Dakota,* add:

Minot, N. Dak. (Minot AFB), Restricted Area/Military Climb Corridor (R-588) (Minot Chart).

Description. That area centered on the 308° True radial of the Minot AFB TACAN extending from 5 statute miles NW of the airbase to 32 statute miles NW of the airbase having a width of 2 statute miles at the beginning and 4.6 statute miles at the outer extremity.

Designated altitudes: 3,650 feet MSL to 16,650 feet MSL from 5 statute miles NW of the airbase to 6 statute miles NW of the airbase. 3,650 feet MSL to 25,650 feet MSL from 6 to 7 statute miles NW of the airbase. 3,650 feet MSL to 27,000 feet MSL from 7 to 10 statute miles NW of the airbase. 7,650 feet MSL to 27,000 feet MSL from 10 to 15 statute miles NW of the airbase. 11,650 feet MSL to 27,000 feet MSL from 15 to 20 statute miles NW of the airbase. 16,650 feet MSL to 27,000 feet MSL from 20 to 25 statute miles NW of the airbase. 20,650 feet MSL to 27,000 feet. MSL from 25 to 32 statute miles NW of the airbase.

Time of designation. Continuous.

Controlling agency. Minot AFB Approach Control.

This amendment shall become effective 0001 e.s.t., June 2, 1960.

(Secs. 307(a), 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington D.C., on April 11, 1960.

E. R. QUESADA,
Administrator.

[F.R. Doc. 60-3459; Filed, Apr. 15, 1960; 8:45 a.m.]

Title 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket 7455 c.o.]

PART 13—PROHIBITED TRADE PRACTICES

Dahlberg Co. et al.

Subpart—Advertising falsely or misleadingly: § 13.30 *Composition of goods:* § 13.190 *Results:* § 13.230 *Size or weight.*

(Sec. 6, 38 Stat. 722; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45) [Cease and desist order, The Dahlberg Co., et al., Minneapolis, Minn., Docket 7455, March 22, 1960]

In the Matter of The Dahlberg Company, a Corporation, and Kenneth H. Dahlberg, Arnold R. Dahlberg, and Ralph Campagna, Individually and as Officers of Said Corporation

This proceeding was heard by a hearing examiner on the complaint of the Commission charging Minneapolis manufacturers with representing falsely in advertising in newspapers, magazines, etc., and by advertising mats, brochures and other promotional material supplied to their dealers, that their "Miracle Ear," "Solar Ear," and "Optic Ear" hearing aids were buttonless, cordless and invisible; and that the "Miracle Ear" device provided equally good hearing from all directions and was smaller than was the fact.

Based on a consent agreement, the hearing examiner made his initial decision and order to cease and desist which became on March 22 the decision of the Commission.

The order to cease and desist is as follows:

It is ordered, That respondents The Dahlberg Company, a corporation, and its officers, and Kenneth H. Dahlberg and Arnold R. Dahlberg, individually and as officers of said corporation, and Ralph Campagna, individually, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of hearing aid devices known as the Miracle Ear, the Solar Ear, and the Optic Ear, or any other device of substantially the same construction or operation, whether sold under the same or any other designation, do forthwith cease and desist from directly or indirectly:

1. Disseminating or causing to be disseminated any advertisement by means of the United States mails or by any means in commerce, as "commerce" is defined in the Federal Trade Commission Act, for the purpose of inducing or which is likely to induce, directly or indirectly, the purchase of said products, which advertisement represents directly or by implication that:

a. There are no buttons, cords or wires attached to their said air conduction hearing aids unless in close connection therewith and with equal prominence it is stated that a plastic tube runs from the device and is attached to an ear mold fitted in the ear.

b. Their hearing aids are invisible when worn.

c. Their hearing aids are hidden behind the ear or concealed within an eyeglass temple, when in fact there is a visible plastic or other type of tube running from the device to the ear; or are worn completely in the ear, except when such is the fact.

d. Their Miracle Ear hearing aid provides true panoramic hearing or equally good hearing from all directions unless the fact is disclosed that it is necessary to wear a hearing aid in each ear.

e. The Miracle Ear is the size depicted in advertisements when the depiction is smaller than the entire Miracle Ear hearing aid, or misrepresenting in any manner the size of any of their hearing aids.

2. Disseminating any advertisement by any means for the purpose of inducing or which is likely to induce, directly or indirectly, the purchase of respondents' products in commerce, as "commerce" is defined in the Federal Trade Commission Act, which advertisement contains any of the representations prohibited in Paragraph One hereof.

It is further ordered, That the charges in the complaint in subparagraphs 4, 5, 7, and 8 of Paragraph Five, viz,

4. "Their Optic Ear and Miracle Ear hearing aids will enable persons suffering from hearing loss to hear more naturally than they would by using competitive hearing aids of similar types."

5. "Their Optic Ear is the only eyeglass type hearing aid with full transistor power for one or both ears."

7. "Respondents were the first to introduce the heat powered hearing aid such as the Solar Ear."

8. "The Solar Ear was immediately available to the purchasing public at a price no higher that that of a battery powered hearing aid."

be, and the same hereby are, dismissed.

It is further ordered, That the complaint be, and the same hereby is, dismissed as to Ralph Campagna as an officer of respondent corporation, but not individually.

By "Decision of the Commission", etc., report of compliance was required as follows:

It is ordered, That the respondents The Dahlberg Company, a corporation, and Kenneth H. Dahlberg and Arnold R. Dahlberg, individually and as officers of said corporation, and Ralph Campagna, individually, shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with the order to cease and desist.

Issued: March 22, 1960.

By the Commission.

[SEAL] ROBERT M. PARRISH,
Secretary.

[F.R. Doc. 60-3467; Filed, Apr. 15, 1960; 8:46 a.m.]

[Docket 6718 o.]

PART 13—PROHIBITED TRADE PRACTICES

Peerless Products, Inc., et al.

Subpart—Using, selling, or supplying lottery devices: § 13.2475 *Devices for lottery selling.*

(Sec. 6, 38 Stat. 722; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45) [Cease and desist order, Peerless Products, Inc., et al., Chicago, Ill., Docket 6718, March 22, 1960]

In the Matter of Peerless Products, Inc., a Corporation, and Marshall Maltz, Rose Maltz and Shirley Maltz, Individually and as Officers of Said Corporation

This proceeding was heard by a hearing examiner on the complaint of the Commission charging a Chicago punch board manufacturer with selling and distributing lottery devices used by retailers in connection with the sale of merchandise to the public.

The Commission, denying respondents' appeal from the initial decision, on

March 22 issued its opinion adopting the initial decision as the decision of the Commission.

The order to cease and desist is as follows:

It is ordered, That respondents, Peerless Products, Inc., a corporation, and its officers, and Shirley Maltz, as an officer of said corporation, and Marshall Maltz, individually and as an officer of said corporation, and respondents' agents, representatives, employees, successors and assigns, directly or through any corporate or other device, do forthwith cease and desist from:

Selling or distributing in commerce, as "commerce" is defined in the Act, punchboards or other devices which are designed or intended to be used in the sale or distribution of merchandise to the public by means of a game of chance, gift enterprise or lottery scheme.

It is further ordered, That the complaint herein be, and hereby is, dismissed as to respondent Shirley Maltz, individually and as to respondent Rose Maltz, individually and as an officer of Peerless Products, Inc., without prejudice.

By "Decision of the Commission", etc., report of compliance was required as follows:

It is ordered, That respondents, Peerless Products, Inc., a corporation, and Shirley Maltz, as an officer of said corporation, and Marshall Maltz, individually and as an officer of said corporation, shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which they have complied with the order to cease and desist.

Issued: March 22, 1960.

By the Commission.

[SEAL] ROBERT M. PARRISH, *Secretary.*

[F.R. Doc. 60-3468; Filed, Apr. 15, 1960; 8:46 a.m.]

[Docket 7650 c.o.]

PART 13—PROHIBITED TRADE PRACTICES

Strode Furriers et al.

Subpart—Advertising falsely or misleadingly: § 13.30 *Composition of goods;* § 13.30–30 *Fur Products Labeling Act;* § 13.155 *Prices:* § 13.155–40 *Exaggerated as regular and customary;* § 13.155–70 *Percentage savings;* § 13.235 *Source or origin:* § 13.235–60 *Place;* § 13.235–60(e) *Imported products or parts as domestic;* § 13.285 *Value.* Subpart—Invoicing products fasely: § 13.1108 *Invoicing products falsely;* § 13.1108–45 *Fur Products Labeling Act.* Subpart—Misbranding or mislabeling: § 13.1185 *Composition:* § 13.1185–30 *Fur Products Labeling Act;* § 13.1212 *Formal regulatory and statutory requirements:* § 13.1212–30 *Fur Products Labeling Act;* § 13.1280 *Price.* Subpart—Misrepresenting oneself and goods—Prices: § 13.1805 *Exaggerated as regular and customary;* § 13.1810 *Fictitious marking.* Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1845 *Composition;* § 13.1845–30 *Fur Products Labeling Act;* § 13.1852 *Formal regulatory and statutory requirements:* § 13.1852–35 *Fur Products Labeling Act.*

(Sec. 6, 38 Stat. 722; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; sec. 8, 65 Stat. 719; 15 U.S.C. 45, 69f) [Cease and desist order, Strode Furriers, et al., Louisville, Ky., Docket 7650, March 10, 1960]

In the Matter of Strode Furriers, a Corporation, and Irvin Seligman and Joseph Seligman, Individually and as Officers of Said Corporation

This proceeding was heard by a hearing examiner on the complaint of the Commission charging Louisville, Ky., furriers with violating the Fur Products Labeling Act by falsely identifying certain fur products with respect to the names of animals producing the fur therein; by affixing labels containing fictitious prices in excess of the usual retail prices; by failing to label with the term "Persian Lamb" where required; by invoicing which showed imported furs to be of domestic origin and failed to set forth the term "Dyed Mouton-processed Lamb" as required; by newspaper advertising which falsely represented percentage savings; by failing in other respects to comply with advertising, invoicing and labeling requirements; and by failing to keep adequate records as a basis for the aforesaid pricing claims.

After acceptance of a consent order, the hearing examiner made his initial decision and order to cease and desist which became on March 10 the decision of the Commission.

The order to cease and desist is as follows:

It is ordered, That Strode Furriers, a corporation, and its officers, and Irvin Seligman and Joseph Seligman, individually and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction into commerce, or the sale, advertising, offering for sale, transportation or distribution, in commerce, of fur products, or in connection with the sale, advertising, offering for sale, transportation, or distribution of fur products which are made in whole or in part of fur which has been shipped and received in commerce, as "commerce", "fur" and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

1. Misbranding fur products by:

A. Failing to affix labels to fur products showing in words and figures plainly legible all of the information required to be disclosed by each of the subsections of section 4(2) of the Fur Products Labeling Act;

B. Falsely or deceptively labeling or otherwise identifying any such product as to the name or names of the animal or animals that produced the fur from which such product was manufactured;

C. Falsely or deceptively labeling or otherwise identifying such products as to the regular prices thereof by any representation that the regular or usual prices of such fur products are any amounts in excess of the prices at which respondents have usually and customarily sold such products in the recent regular course of business;

D. Setting forth on labels affixed to fur products:

1. Information required under section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in abbreviated form;

2. Information required under section 4(2) of the Fur Products Labeling Act and the rules and regulations promulgated thereunder mingled with nonrequired information;

3. Information required under section 4(2) of the Fur Products Labeling Act and the rules and regulations promulgated thereunder in handwriting.

E. Failing to set forth the term "Persian Lamb" in the manner required;

F. Affixing to fur products labels that do not comply with the minimum size requirements of one and three-quarter inches by two and three-quarter inches;

G. Failing to set forth the information required under section 4(2) of the Fur Products Labeling Act and the rules and regulations promulgated thereunder in the required sequence;

H. Failing to set forth separately on labels attached to fur products composed of two or more sections containing different animal furs the information required under section 4(2) of the Fur Products Labeling Act and the rules and regulations promulgated thereunder with respect to the fur comprising each section;

I. Failing to set forth on labels affixed to fur products the item number or mark assigned to the fur product;

2. Falsely or deceptively invoicing fur products by:

A. Failing to furnish to purchasers of fur products an invoice showing all the information required to be disclosed by each of the subsections of section 5(b)(1) of the Fur Products Labeling Act;

B. Falsely or deceptively invoicing or otherwise identifying any such product as to the name or names of the animal or animals that produced the fur from which such product was manufactured;

C. Falsely or deceptively invoicing fur products by stating that the furs contained in such fur products are domestic furs when, in fact, such furs are imported;

D. Failing to set forth the term "Dyed Mouton-processed Lamb" in the manner required;

E. Failing to set forth on invoices the item number or mark assigned to a fur product;

3. Falsely or deceptively advertising fur products through the use of any advertisement, representation, public announcement or notice which is intended to aid, promote or assist, directly or indirectly, in the sale, or offering for sale of fur products, and which:

A. Represents, directly or by implication, through percentage savings claims, that the regular or usual retail prices charged by respondents for fur products in the recent and regular course of business are reduced in direct proportion to

the amount of savings stated when contrary to fact;

B. Represents directly or by implication that the regular or usual price of any fur product is any amount which is in excess of the price at which respondents have usually and customarily sold such product in the recent regular course of business;

C. Misrepresents in any manner the savings available to purchasers of respondents' fur products.

4. Making claims and representations in advertisements respecting prices and values of fur products unless respondents maintain full and adequate records disclosing the facts upon which such claims and representations are based.

By "Decision of the Commission", etc., report of compliance was required as follows:

It is ordered, That the above-named respondents shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which they have complied with the order to cease and desist.

Issued: March 10, 1960.

By the Commission.

[SEAL] ROBERT M. PARRISH, *Secretary.*

[F.R. Doc. 60-3469; Filed, Apr. 15, 1960; 8:46 a.m.]

Title 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Department of Health, Education, and Welfare

SUBCHAPTER B—FOOD AND FOOD PRODUCTS

PART 121—FOOD ADDITIVES

Subpart F—Food Additives Resulting From Contact With Containers or Equipment and Food Additives Otherwise Affecting Food

POLYPROPYLENE

The Commissioner of Food and Drugs, having evaluated the data submitted in a petition filed by Hercules Powder Company, Inc., Wilmington 99, Delaware, and other relevant material, has concluded that the following food additive regulation should issue in conformance with section 409 of the Federal Food, Drug, and Cosmetic Act, with respect to the container or equipment material polypropylene, in contact with food. Therefore, pursuant to the provisions of the act (sec. 409(c)(1), 72 Stat. 1786; 21 U.S.C. 348(c)(1)) and under the authority delegated to the Commissioner by the Secretary of Health, Education, and Welfare (23 F.R. 9500), Part 121 is amended by inserting therein a new Subpart F, and by adding to this new subpart the following section:

§ 121.2501 Polypropylene.

The food additive polypropylene may be present in food when its presence therein is in accordance with the following prescribed conditions:

(a) It is present as a result of contact with polypropylene used in container or equipment material.

(b) The polypropylene has been manufactured by the catalytic polymerization of propylene and specially prepared as a food-packaging grade to meet the following specifications when tested by the analytical methods described in paragraph (c) of this section:

(1) It is completely soluble in decahydronaphthalene at 160° C. with maximum soluble fraction of 7.6 percent after cooling to 25° C.

(2) It is completely soluble in xylene at 120° C., with a maximum soluble fraction of 6.1 percent after cooling to 25° C.

(3) It has a maximum extractable fraction of 3.6 percent when extracted with ethyl acetate at reflux temperature.

(4) It has a maximum extractable fraction of 6.4 percent when extracted with *n*-hexane at reflux temperature.

(5) The limits described in this paragraph for solubility and extractability include all the component substances in the polypropylene that may be dissolved or extracted.

(6) The polypropylene contains no other components that are food additives as so defined.

(c) The analytical methods for determining that a polypropylene material conforms to the specifications prescribed in this section are as follows:

(1) *Qualitative tests*—(i) *Infrared identification.* Polypropylene can be determined by its characteristic infrared spectrum.

(ii) *Melting point.* Its melting point is 160° C.–180° C. on a hot stage apparatus. (The use of crossed nicol prisms with a microscope hot stage and reading of the thermometer when the birefringence disappears increases the accuracy.)

(iii) *Density.* Its density is 0.880–0.905, determined by weighing a 1.0–1.5-inch square film first in air and then in methyl alcohol.

(2) *Quantitative tests*—(i) *Method I—Decahydronaphthalene or xylene soluble fraction.*

A. Solution Preparation:

A sample is dissolved completely in decahydronaphthalene or xylene by heating and stirring in a closed system under nitrogen atmosphere to prevent degradation. The solution is allowed to cool, whereupon the insoluble portion of the sample precipitates, is filtered off, and the total-solids content of the filtrate determined as a measure of the decahydronaphthalene or xylene-soluble fraction.

Apparatus. 1. Polymerization tubes, 7-inch vials, with neck tooled for crown cap.

2. Crown bottle caps (standard metal beverage cap, without liner). Perforate with two ⅛-inch holes.

3. Rubber liner for crown bottle caps. Extract with bezene in Soxhlet extractor until extract is colorless (several days).

4. Ball bearings, steel, ⅜-inch.

5. Magnet, 4,000–5,000 gauss permanent magnet.

6. Heating block, aluminum, with wells of sufficient size to immerse polymerization tubes to a depth of 3 or 4 inches, and maintained at 120°±5° C. or 160°±5° C.

7. Funnel, Buchner type with coarse-porosity fritted disc, 30 millimeters to 60 millimeters diameter.

8. Bottle capper (any household bottle capper with wooden block to hold the polymerization tubes).

Reagents. 1. Decahydronaphthalene containing 20 milligrams of antioxidant per liter—Dissolve 0.020 gram of phenyl-β-naphthylamine in 1 liter of technical grade decahydronaphthalene.

2. Xylene containing 20 milligrams of antioxidant per liter—Dissolve 0.020 gram of *N*-phenyl-β-naphthylamine in 1 liter of industrial grade xylene, specific gravity $\frac{20° C.}{20° C.}$ 0.856–0.867, boiling range 123° C.–160° C.

Preparation of sample. Flake—No treatment.

Film—Cut into approximately ½-inch squares and separate into individual pieces.

Molding powder—No treatment.

Molded articles—Cut or tear into pieces no larger than 3/16-inch cubes (two pairs of pliers may be used).

Procedure. Weigh a 0.4 gram-0.5 gram sample, to the nearest 0.001 gram, into a 7-inch polymerization tube. Add a ⅜-inch steel ball bearing and, with a pipet, 20 milliliters of decahydronaphthalene or xylene containing antioxidant.

Close the tube with a crown cap with rubber liner, connect to a vacuum line by means of a hypodermic needle, evacuate, and refill with nitrogen at atmospheric pressure. Stir the solution by moving the tube up and down between the poles of the permanent magnet, thus raising and lowering the ball bearing in the solution.

Place the tubes in the wells of the heating block (maintained at 120° C. for xylene and at 160° C. for decahydronaphthalene) removing them at about 10-minute intervals and stirring for about 1 minute by means of the magnet and ball bearing. Alternate heating and stirring until the solution is complete with no gel particles. Observe the solution carefully since the gel particles are almost invisible; hold the tube almost horizontally and rotate but avoid undue contact of the solution with the rubber liner. Then allow the tube to stand in the air for a minimum of 1 hour and a maximum of 2 hours to cool and permit precipitation of the insoluble portion.

Uncap the polymerization tube and pour the contents into a coarse-porosity fritted-glass funnel. Apply suction with a water aspirator and draw at least 12 milliliters to 13 milliliters of filtrate through. Some samples filter rather slowly, and sometimes less than 10 milliliters is obtained. If the filtration is slow, it should be discontinued after 5 to 10 minutes, and a portion less than 10 milliliters used for the total solids determination. (Slow filtration may be due to failure to thoroughly clean the funnel from a previous determination.)

Determine the total solids on a 10-milliliter portion or less as described in section B.

B. Total solids determination:

A sample is weighed into a tared aluminum weighing dish containing glass wool, the dish placed on the surface of an electric hotplate inside a vacuum desiccator whose side walls are cooled with ice water, and the solvent evaporated under vacuum. The solvent condenses on the walls of the desiccator while the glass wool in the dish reduces bumping. The residue in the dish is finally weighed.

Apparatus. 1. Solvent evaporator—This consists of a special electric hotplate mounted in a Pyrex vacuum desiccator. The latter is placed in a cooling bath and evacuated by a mechanical pump.

The component parts are listed below:

a. Desiccator and cover, Pyrex glass, large size, 250-millimeter inside diameter flange, provided with cover with opening for No. 8 rubber stopper. Insert the single arm of a 3-millimeter bore, three-way stopcock through a No. 8 rubber stopper and cut off the tubing just below the bottom of the stopper. Connect an 18/9 spherical joint to one of the two upper arms just above the

stopcock barrel. Cut off the third arm about 1 inch above the stopcock barrel. Attach a glass tee to this arm with the vertical outlet ground to a flat surface. Insert two electrical wires through the rubber stopper by means of glass tubing with tungsten seals and connect to the hotplate leads with porcelain wire nuts. Connect the external leads to a 110-volt line controlled with a 7.5-ampere Variac. Insert the sharpened sheath of the thermocouple assembly (iron-constantan, silver-soldered in the tip of a 12-inch piece of 14-gage hypodermic tubing) through the stopper. Bend the lower end to form a foot that will press against the hotplate. Insert the rubber stopper tightly in the opening in the desiccator cover and wire in place.

b. Porcelain desiccator plate, 230-millimeter diameter, without feet.

c. Insulating support, transite. Space the two 6-inch squares of 3/16-inch thick transite with four small 3/8-inch blocks of transite.

d. Hotplate, electric—For the heating surface, use an 8¼-inch circle of 3/8-inch aluminum plate. Back with a 6 x 7-inch piece of aluminum at each end. Round off any extending corners to the same diameter as the top plate.

Wind a 6-foot length of 275-watt, ½-inch heating tape around the bottom 6 x 7-inch plate. Connect the two ends of the tape-leads to the power inlet.

e. Cooling bath—Use a covered sheet-metal pan with two openings in the top, one a circular hole just large enough to admit the desiccator, and the other with hinged cover for inserting the cooling medium. The depth of the bath should be equal to the height of he desiccator to the flange of the bottom section.

f. Vacuum pump.

g. Pirani gage (a McLeod gage is satisfactory).

h. Temperature recorder, 0 to 200° C., 24-hour chart—Equip with an on-and-off control across the 110-volt power supply so as to control the temperature of the hotplate at the desired setting.

i. Dry ice trap with wide-mouth Dewar flask.

j. Safety shield for desiccator.

2. Aluminum tray, 5½ x 8 x 1 inch deep—Commercial frozen-food trays of this size are satisfactory.

3. Shield, drip or spatter—Unfold the corners of an aluminum tray, puncture hole for thermocouple lead, and place loosely over the sample dishes.

4. Drying dishes, aluminum, 50-millimeter diameter, with covers.

5. Oven, drying, maintained at 110° C. ±2° C.

6. Glass wool, Pyrex.

Procedure. Assemble the apparatus as shown in the diagram.

Take sufficient glass wool to fill the weighing dish about three-fourths full when loosely packed. Roll the glass wool into a loose spiral and place in a clean, dry dish. Pass a flame from a Bunsen burner over the surface of the dish so as to melt off any stray wisps of the glass wool. Wipe off any glass fibers on the outside surface of the dish. Heat the uncovered dishes in a 110° C. oven for 30 minutes, remove, cover, cool in air, and weigh to the nearest 0.0001 gram.

Pipet about 10-milliliter aliquots of the sample solution into the dish, wetting the entire glass wool pad.

Place the uncovered dishes in an aluminum tray, maximum of eight dishes per tray. With the hotplate at room temperature and the power off, place the tray of dishes on its top surface. Place the drip or spatter shield loosely over the tray. Place the desiccator lid and guard in position. Make sure the thermocouple is pressing against the bottom of the tray. Fill the cooling bath with ice plus a small amount of water.

Add crushed dry ice to the cooling trap Dewar flask and turn the vacuum pump on. Apply heat at such a rate that the temperature reaches 130° C.–140° C. in 40 to 60 minutes, usually about 80-volt setting of the Variac. Control the temperature at 140° C. for another hour. The pressure should be 800 microns to 1,000 microns at the start, and near the end of the test should drop to 300 microns to 500 microns.

Finally close off the lead to the vacuum pump, turn off the hotplate, and fill the desiccator slowly with nitrogen (about 5 pounds per square inch) admitted through a capillary. Attach the nitrogen feedline from the capillary to the horizontal arm of the glass tee. While holding a soft-rubber stopper on the flat surface of the vertical arm, slowly open the stopcock to the desiccator. Release the stopper; the vacuum will hold it in place until atmospheric pressure is reached, when it will pop off. This prevents blowing the lid off by pressure build-up. Open the desiccator, remove the shield, and then lift out the tray with the drying dishes.

Cover the dishes, allow to cool in air, and weigh.

If the apparatus is to be used again, cool the hotplate by placing a pan of ice on its top surface.

C. Calculation:

$$\frac{\text{Grams of residue} \times \frac{20}{A} \times 100}{\text{Grams of sample}} = \text{Percent} \_\_\_\_\_ \text{soluble,}$$

Where:

A = Milliliters of solution taken for total solids determination,

20 = Total volume of solvent used in dissolving the sample.

Specify the solvent used along with the percent soluble result.

(ii) *Method II—Ethyl acetate or hexane extractable.*

A sample is refluxed in the solvent for 2 hours and filtered at the boiling point. The filtrate is evaporated and the total residue weighed as a measure of the solvent extractable fraction.

Apparatus. 1. Erlenmeyer flasks, 250-milliliter, with ground joint.

2. Condensers, Allihn, 400-millimeter jacket, with ground joint.

3. Funnels, ribbed, 75-millimeter diameter, stem cut to 40 millimeters.

4. Funnels, Buchner type, with fritted disc, 60-milliliter, porosity coarse.

5. Bell jar for vacuum filtration into beaker.

6. Laboratory mill, Wiley, intermediate model.

Reagents. 1. Ethyl acetate, 99 percent specific gravity $\frac{20° \text{ C.}}{20° \text{ C.}}$ 0.899–0.902.

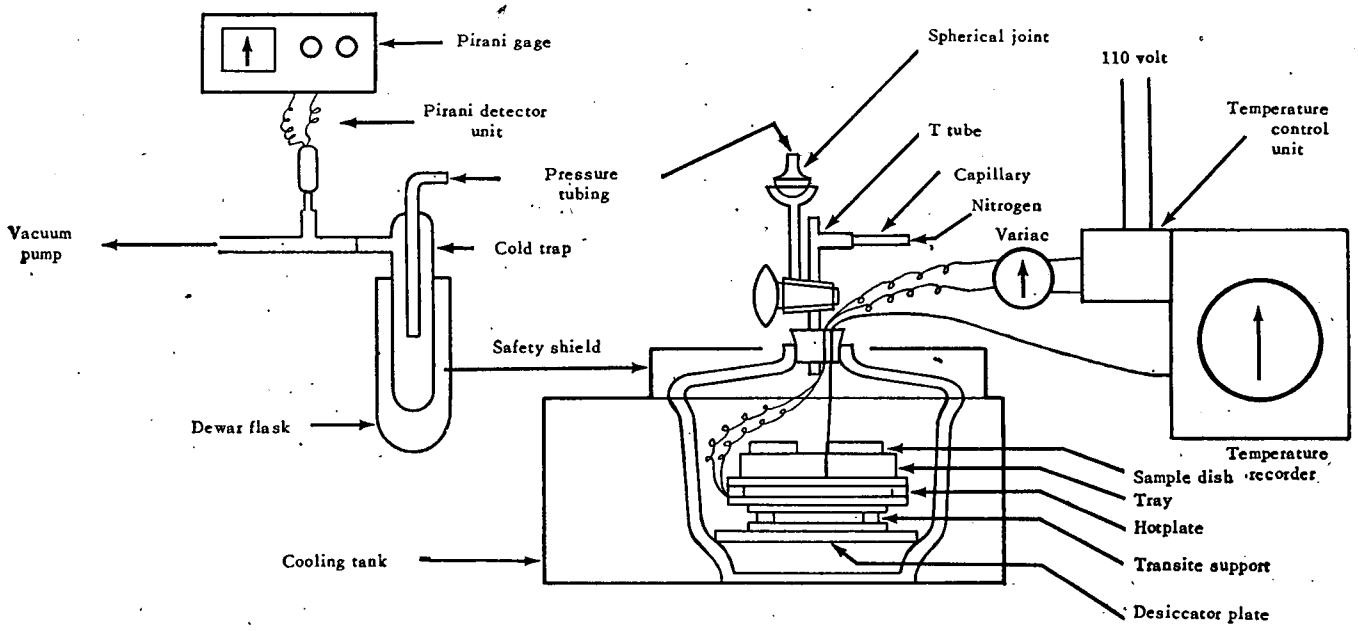
2. *n*-Hexane, commercial grade, specific gravity $\frac{20° \text{ C.}}{20° \text{ C.}}$ 0.663–0.667; boiling range 66° C.–69° C., or equivalent.

Preparation of sample. Flake—No treatment.

Film, 2 to 5 mil—Cut into approximately ½-inch squares and separate into individual pieces.

Heavy film; molding powder or molded articles—Cut or tear into pieces no larger than 3/16-inch cubes. (Two pairs of pliers

ASSEMBLY OF DESICCATOR–HOTPLATE TOTAL SOLIDS APPARATUS



may be used.) Mix with pulverized dry ice (one part Pro-fax to 15–20 parts of solid CO_2) and allow to stand 1 to 2 hours. Meanwhile, place a 10-mesh screen in the Wiley mill and pass pulverized dry ice through the mill until it is thoroughly chilled. Then pass the sample through slowly, adding more dry ice if necessary to prevent heat build-up and fusion. Make a second pass of the ground sample and dry ice through the mill. Place the mixture in a large evaporating dish, allow the dry ice to disappear, and continue air drying (or vacuum drying) at room temperature until condensed moisture has evaporated. This procedure will give particles of which approximately 85 percent by weight will pass through a 16-mesh screen and 50 percent through a 20-mesh screen.

Procedure. Weigh 1 gram of sample accurately and place in a 250-milliliter Erlenmeyer flask containing two or three boiling stones. Add 100 milliliters of solvent, attach the flask to the condenser (use no grease) and reflux the mixture for two hours.[1]

Remove the flask from the heat, disconnect the condenser, and filter rapidly while still hot through a small wad of glass wool packed in a short stem funnel[2] into a tared 150-milliliter beaker. Rinse the flask and filter with two 10-milliliter portions of the hot solvent, and add the rinsings to the filtrate. Evaporate the filtrate on a steam bath with the aid of a stream of nitrogen. Dry the residue in a vacuum oven at 110° C. for two hours, cool in a desiccator and weigh to 0.0001 gram.

Determine the blank on 100 milliliters of solvent evaporated in a tared 150-milliliter beaker. Correct the sample residue for this blank if significant.

Calculation:

$$\frac{\text{Grams of residue}}{\text{Grams of sample}} \times 100 = \text{percent extractable with ----------}$$

Specify the solvent used along with the percent extractable result.

Any person who will be adversely affected by the foregoing order may at any time prior to the thirtieth day from the date of its publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington 25, D.C., written objections thereto. Objections shall show wherein the person filing will be adversely affected by the order, specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be granted if the objections are supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof. All documents shall be filed in quintuplicate.

Effective date. This order shall become effective on the date of publication in the FEDERAL REGISTER.

(Sec. 409(c), 72 Stat. 1786; 21 U.S.C. 348(c))

Dated: April 7, 1960.

[SEAL] JOHN L. HARVEY,
Deputy Commissioner of Food and Drugs.

[F.R. Doc. 60–3386; Filed, Apr. 15, 1960; 8:45 a.m.]

[1] *n*-Hexane is refluxed on a steam bath.

[2] A glass-sintered funnel under slight vacuum is used for flake or ground material. Preheat the funnel with about 25 milliliters of hot solvent.

Title 30—MINERAL RESOURCES

Chapter III—Office of Minerals Exploration, Department of the Interior

PART 301—REGULATIONS FOR OBTAINING FEDERAL ASSISTANCE IN FINANCING EXPLORATIONS FOR MINERAL RESERVES, EXCLUDING ORGANIC FUELS, IN THE UNITED STATES, ITS TERRITORIES AND POSSESSIONS

Title of Field Officials

Incident to the reorganization of the Office of Minerals Exploration effective April 18, 1960, the following amendment is made to Part 301 of Title 30—Mineral Resources:

In § 301.5 the words "Field Officers of the Office of Minerals Exploration" are substituted for "Office of Minerals Exploration Executive Officers," with regard to Region I, the world "Field" is substituted for the word "Executive", and "Region V" is renumbered "Region IV."

No further changes are made in the text of Part 301, which is set forth below. Since the amendment is made because of a change in internal organization of the Department, notice and public procedure thereon have been deemed unnecessary and the amendment shall become effective on April 18, 1960. (Sec. 2(e), 72 Stat 700.)

FRED A. SEATON,
Secretary of the Interior.

APRIL 13, 1960.

Section 301.5 is amended to read as follows:

APPLICATIONS

§ 301.5 Form and filing.

An application for Federal financial assistance must be submitted in triplicate on forms which may be obtained from and filed by either:

Office of Minerals Exploration,
Department of the Interior,
Washington 25, D.C.

or Field Officers, Office of Minerals Exploration. The regions which they serve and their Post Office addresses are as follows:

Region I: Alaska, Idaho, Montana, Oregon, and Washington—Office of Minerals Exploration, South 157 Howard Street, Spokane 4, Washington. Applicants for Alaska projects may file applications with the United States Bureau of Mines, P.O. Box 2688, Juneau, Alaska, for forwarding to the Field Officer, Region I.

Region II: California and Nevada—Office of Minerals Exploration, Room 420 Custom House, 555 Battery Street, San Francisco 11, California.

Region III: Arizona, Colorado, Kansas, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, Utah, and Wyoming—Office of Minerals Exploration, Federal Center, Denver 25, Colorado.

Region IV: Alabama, Arkansas, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, and Wisconsin—Office of Minerals Exploration, Room 11, Post Office Building, Knoxville 2, Tennessee.

[F.R. Doc. 60–3515; Filed, Apr. 15, 1960; 8:50 a.m.]

Title 49—TRANSPORTATION

Chapter I—Interstate Commerce Commission

SUBCHAPTER A—GENERAL RULES AND REGULATIONS

[Docket 3666; Order 42]

PARTS 71–78—EXPLOSIVES AND OTHER DANGEROUS ARTICLES

Miscellaneous Amendments

Correction

In F.R. Doc. 60–3300, appearing at page 3098 of the issue for Tuesday, April 12, 1960, paragraph (j) of § 73.31 should be omitted.

Proposed Rule Making

DEPARTMENT OF THE INTERIOR

Oil Import Administration

[32A CFR Ch. X]

[Oil Import Reg. 1 (Revision 1)]

RESIDUAL FUEL OIL AND OTHER FINISHED PRODUCTS

Allocation Periods; Applications

Notice is hereby given that pursuant to the authority vested in the Secretary of the Interior by Proclamation 3279, as amended (24 F.R. 1781, 3527, 10133), it is proposed to amend sections 3, 5, 9, 13, and 21 of Oil Import Regulation 1 (Revision 1) (24 F.R. 4654, 10075) as set forth below. The proposed amendments would provide for making allocations of imports into Districts I–IV of residual fuel oil to be used as fuel on a quarterly basis, thereby facilitating consideration of normal patterns of marketing and importing in connection with determinations respecting the level of imports of residual fuel oil into Districts I–IV. Such allocations would be made at least 45 days before the beginning of each quarter, except that such allocations would be made not later than June 1, 1960 with respect to the quarter beginning July 1, 1960. A complementary change would be made in the effective date of relief granted by the Oil Import Appeals Board.

Because imports of residual fuel oil into Puerto Rico and into District V are small, no change would be made in the allocation periods with respect to these areas.

The amendments also would provide that applications filed for the allocation periods beginning July 1, 1960 for allocations of imports of residual fuel oil to be used as fuel or of imports of other finished products shall constitute continuing applications, thus eliminating the requirement that such an application be filed before the beginning of each allocation period. No change would be made in the requirement that successive applications be filed for allocations of imports of crude oil and unfinished oils.

It is the policy of the Department of the Interior, whenever practicable, to afford the public an opportunity to participate in the rulemaking process. Accordingly, interested persons may submit written comments, suggestions or objections with respect to the proposed amendments to the Administrator, Oil Import Administration, Washington 25, D.C., on or before April 29, 1960.

ELMER F. BENNETT,
Under Secretary of the Interior.

APRIL 15, 1960.

1. Section 3 of Oil Import Regulation 1 (Revision 1) (24 F.R. 4654) is amended to read as follows:

Sec. 3. Allocation periods.

Allocations of imports of crude oil, unfinished oils and finished products will be made for periods of six months—that is, July 1 through December 31; January 1 through June 30; except that the allocations of imports into Districts I–IV of residual fuel oil to be used as fuel will be made on a quarterly basis commencing July 1, 1960.

2. Section 5 of Oil Import Regulation 1 (Revision 1) is amended to read as follows:

Sec. 5. Applications for the allocation periods.

(a) With respect to the allocation period January 1, 1960 through June 30, 1960 and each successive allocation period thereafter, an application for allocations of imports of crude oil and unfinished oils must be filed with the Administrator, in such form as he may may prescribe, not later than 60 calendar days prior to the beginning of the allocation period for which the allocation is required. However, if the 60th day is a Saturday, Sunday, or holiday, the application may be filed on the next succeeding business day.

(b) For the respective allocation periods beginning July 1, 1960, an application for an allocation of imports of residual fuel oil to be used as fuel or for an allocation of imports of other finished products must be filed with the Administrator on or before May 2, 1960, on the form that has already been made available. An application so filed by an eligible applicant will be considered to be a continuing application. Such eligible applicant need not thereafter file an application for an allocation of imports of residual fuel oil to be used as fuel or for an allocation of imports of other finished products and an application for a license for each allocation period will be mailed to him by the Oil Import Administration. The failure of an eligible applicant to return an application for a license will be regarded as an abandonment by the applicant of his continuing application for an allocation and no application for licenses will therefore be sent to him unless he files a new application for an allocation as provided in paragraph (c) of this section.

(c) An applicant who has no continuing application on file must, in order to receive an allocation of imports of residual fuel oil to be used as fuel or an allocation of imports of other finished products, file an application for an allocation with the Administrator not later than 60 calendar days prior to the beginning of the allocation period for which the allocation is required. However, if the 60th day is a Saturday, Sunday, or holiday, the application may be filed on the next succeeding business day. An application so filed by an eligible applicant will be regarded as a continuing application and subject to the provisions of paragraph (b) of this section.

3. Paragraph (b) of section 9 of Oil Import Regulation 1 (Revision 1) is redesignated as paragraph (c) and a new paragraph (b), set forth below, is added to section 9 which, as amended, reads in its entirety as follows:

Sec. 9. Determination of quantities available for allocation—Districts I–IV, District V.

(a) Prior to the beginning of each allocation period the Administrator shall determine in accordance with the limitations imposed by section 2 of Proclamation 3279, as amended, the quantities of imports of crude oil and unfinished oils which are available for allocation in Districts I–IV and in District V, respectively, and the quantities of imports of residual fuel oil to be used as fuel and of imports of finished products other than residual fuel oil to be used as fuel which are available for allocation in such districts.

(b) Pursuant to paragraph (e) of section 2 of Proclamation 3279 as amended, the Secretary will make a determination as to the level of imports into Districts I–IV of residual fuel oil to be used as fuel in sufficient time to permit the making of allocations at least 45 calendar days in advance of each quarterly period, except that for the period beginning July 1, 1960, the determination will be made in sufficient time to permit the making of allocations by June 1, 1960.

(c) After each such determination, the Administrator shall as provided by these regulations make allocations to eligible applicants for the appropriate allocation period.

4. Section 13 of Oil Import Regulation 1 (Revision 1) is amended to read as follows:

Sec. 13. Allocations of finished products—Districts I–IV, District V.

(a) The quantity of imports of finished products determined to be available for allocation in Districts I–IV and in District V for any particular allocation period shall be allocated by the Administrator to each eligible applicant in the proportion that the applicant's imports of finished products during the calendar year 1957 bore to the imports of such products during that year by all eligible applicants. Separate allocations shall be made for imports of residual fuel oil to be used as fuel and for imports of finished products other than residual fuel oil to be used as fuel. The allocations of imports into Districts I–IV of residual fuel oil to be used as fuel shall be issued at least 45 calendar days in advance of the allocation period, except that for the allocation period beginning July 1, 1960, such allocations

shall be made not later than June 1, 1960.

(b) No allocation made pursuant to this section may be sold, assigned, or otherwise transferred.

5. Paragraph (c) of section 21 of Oil Import Regulation 1 (Revision 1) (24 F.R. 10075) is further amended to read as follows:

(c) The modification or grant of an allocation by the Appeals Board of imports of finished products other than imports into Districts I–IV of residual fuel oil to be used as fuel shall become effective in the allocation period succeeding the period for which the appeal or petition was filed. The modification or grant of an allocation by the Appeals Board of imports into Districts I–IV of residual fuel oil to be used for fuel shall become effective in the second allocation period succeeding the period for which the appeal or petition was filed.

[F.R. Doc. 60-3564; Filed, Apr. 15, 1960; 12:01 p.m.]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 906]

[Docket No. AO–210–A11]

MILK IN OKLAHOMA METROPOLITAN MARKETING AREA

Decision on Proposed Amendments to Tentative Marketing Agreement and Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held at Oklahoma City, Oklahoma, on July 28 to July 30, 1959, and was reopened at Tulsa, Oklahoma, on September 23, 1959, pursuant to notice thereof issued on July 6, 1959 (24 F.R. 5549) and September 16, 1959 (24 F.R. 7585).

Upon the basis of the evidence introduced at the hearing and the record thereof, the Deputy Administrator, Agricultural Marketing Service, on January 22, 1960 (25 F.R. 595; F.R. Doc. 60–707) filed with the Hearing Clerk, United States Department of Agriculture, his recommended decision containing notice of the opportunity to file written exceptions thereto.

The material issues on the record of this hearing relate to:

1. Expanding the marketing area to include Ponca City and Garfield County, Oklahoma.

2. Revising the norms of the supply-demand adjustment factor in the order and including statistics relating to the Red River Valley marketing area in the computation of the supply-demand adjustment.

3. Revising the Class I differential seasonally.

4. Revising or eliminating the base and excess plan of prorating returns to producers.

5. Levying a compensatory payment on unpriced other source milk.

6. Accounting for nonfat milk solids used to fortify fluid milk products in accordance with the skim milk equivalent.

7. Permitting handlers to have two accounting periods within a month.

8. Revising the definition of plants to which the regulation is fully applicable.

9. Revising the transfer provision with respect to the movement of cream.

10. Making certain other changes of an administrative nature.

Findings and conclusions. The following findings and conclusions on the material issues are based on the evidence presented at the hearing and the record thereof:

1. Ponca City and the City of Enid and Vance Air Force Base in Garfield County should be added to the marketing area.

One of the handlers regulated under the Oklahoma Metropolitan marketing order has his plant in Ponca City. Milk also is distributed in Ponca City by several other handlers regulated under the Oklahoma Metropolitan marketing order and a small quantity of milk is distributed there by a handler regulated under the Wichita, Kansas, marketing order. At the present time there are no unregulated plants which dispose of milk there; thus more than 90 percent of the milk sold in Ponca City is regulated under the Oklahoma Metropolitan milk order. In view of this high percentage of sales by regulated handlers and the fact that the absence of regulation poses a constant threat from unpriced milk, particularly to the handler whose plant is located there, it is concluded that Ponca City should be added to the Oklahoma Metropolitan marketing area.

The proposal to add all of Garfield County to the marketing area was abandoned at the hearing. Instead it was proposed that only the City of Enid and Vance Air Force Base, which is located just outside the city limits of Enid, be added to the marketing area. The rest of Garfield County is sparsely populated and has no effective health regulations. Its inclusion in the marketing area would do nothing to enhance the effectiveness of the order.

At the present time there is only one distributing plant located in the City of Enid. The handler who operates this plant also operates two distributing plants within the presently defined marketing area. One of these plants receives milk from producers while the other receives its entire supply of milk from the plant at Enid. Because of the present language in the order the milk moving from Enid to the plant in the marketing area is other source milk.

In addition to the plant located there, milk is distributed in Enid by plants which are now regulated under the Oklahoma Metropolitan marketing order and by plants regulated under other nearby marketing orders. There is no milk distributed in Enid by unregulated plants other than the plant at Enid and the contract to supply the Vance Air Force Base has regularly been held, either by the plant at Enid, or by plants regulated under the Oklahoma Metropolitan or other nearby marketing orders.

When the order was originally issued the City of Enid had little relationship to the present marketing area. There was no milk moved from Enid into the marketing area and the volume of milk moving from regulated plants to Enid was negligible or nonexistent.

Today, however, a close relationship exists between Enid and the rest of the marketing area. As noted above, the Enid handler disposes of a sizable volume of milk in the marketing area through its plant at Oklahoma City and it also operates another plant at Stillwater in the marketing area from which milk is also disposed of in the marketing area. Likewise plants in the marketing area have developed a sizable volume of sales in Enid. Thus Enid can no longer be considered a separate market and should be included in the marketing area. The Vance Air Force Base immediately adjacent to the city is one of the principal outlets for milk of the Enid plant. Milk disposed of for consumption on the premises must meet the same standards as milk which is sold elsewhere in the marketing area. Vance Air Force Base therefore should also be included in the marketing area.

2. The supply-demand adjustment norms should be revised.

The seasonality of production in the Oklahoma Metropolitan marketing area has changed substantially in recent years. When the norms were last adjusted they were representative of the seasonal pattern of production which had previously prevailed in the Oklahoma Metropolitan milkshed. Since that time, there has been a decided shift in the months of peak and low production. In each of the last four years production during the late summer and fall has been much higher in relation to sales than that set forth in the supply-demand norms provided in the order. Likewise, during the winter and early spring, production in relation to sales has been somewhat lower than that which prevailed during the period on which the norms are based. As a result, the effect of the supply-demand adjustor in the last two years has been to increase Class I prices during the months of flush production and to reduce them substantially during the fall months when production is at its lowest point and Class I sales are normally at their peak.

Following the reopening of the hearing in September, an order was issued suspending a portion of the supply-demand adjustment on the Class I price to mitigate its adverse effects on production. The substantial reduction in price which otherwise would have prevailed in the fall months of 1959 threatened a serious curtailment of the production for the market and the possibility of a shortage of milk this coming winter.

The standard norms provided in the order should be completely revised seasonally to prevent unwarranted contra-seasonal movements in price and the spread between the maximum and mini-

mum percentages within which no adjustment would take place should be widened from 4 to 8 percentage points to prevent frequent short-time changes in the level of the Class I price.

In the revised table of supply-demand norms, the minimum percentages set forth will average approximately the same on a yearly basis as those now in the order, although there is a considerable degree of variation from month to month between the present and proposed standards. The increase in the range within which the supply-demand percentages could fluctuate without a change in price taking place, coupled with the proposed seasonal changes in the percentages, would have had the effect of reducing prices slightly below the average which has prevailed during March, April, May and June and would have prevented the very substantial reduction in prices which has occurred in the past during the fall months.

It was proposed by the producer associations that the statistics for the Red River Valley marketing area be added to those of the Oklahoma Metropolitan marketing area in determining the supply-demand adjustment each month. It was their contention that since the Class I price in the Red River Valley marketing area is directly related to the Class I price in the Oklahoma Metropolitan marketing area, that receipts and sales for the two markets should be combined. An analysis of the figures for the two markets indicated that during the ten months for which figures are available for the Red River marketing area, its pattern of receipts to sales has been so close to that of the Oklahoma Metropolitan marketing area that its inclusion would have no effect on the results obtained. For this reason and also in view of the limited history of operations in the Red River Valley, it is concluded that figures for the two markets should not be combined, at least at the present time.

3. No change should be made in the present Class I differentials.

It was proposed that the seasonality in the Class I differential be reduced from 40 cents to 20 cents and that the lower price be effective for the months of March through June instead of April through June as in the present order. Most of the surplus producing markets to the north have a seasonal pricing pattern similar to that contained in the present order. To increase the differentials during the months of heaviest production would perhaps afford those markets a Class I price advantage over the Oklahoma Metropolitan market for those months and might provide handlers with an incentive to replace producer milk with other source milk during those months.

4. The operation of the base-excess plan should be limited to the months of March through June 1960.

At the present time the base plan is operative during the months of February through July. At the hearing proposals were made both to confine its operation to the months of March through June and to terminate it immediately. At least one of the cooperative associations on the market presently operates its own base plan which varies considerably from that incorporated in the order. The other cooperative associations on the market have indicated that they also have been giving consideration to the operation of their own base plans. The continuation in the order of the present base plan would conflict with the plans of the cooperative associations and might lead to confusion in the minds of member producers.

The base plan has failed to level out production and may actually have stimulated production when it was not needed on the market. It has been concluded therefore that it should be eliminated from the order but its termination should await the end of the coming base paying period. To terminate it immediately would be unfair to those producers who purchased cows or revised their production in order to prepare for this year's base paying period.

The adverse effects of the plan would be mitigated this year by confining its operation to the period of March through June. It is concluded therefore that in 1960 the months of February and July should be eliminated from the base-paying period.

5. A compensatory payment should be assessed on other source milk disposed of as Class I milk.

Unpriced other source milk is being disposed of in the marketing area in substantial quantities at the present time. There have been periods in the past also when substantial quantities of other source milk were likewise distributed as Class I milk, even though receipts of producer milk were adequate to meet the fluid milk requirements of the market.

An important function of the order is to insure that the position of handlers paying producers a Class I price for fluid milk will not be undermined by other handlers using the market's excess or surplus milk for Class I use. It is equally important that the Class I market be protected from the use of seasonal excess milk from other markets as well as from its own surplus. If the order failed to provide such protection, a handler could limit or cease his purchases of producer milk to his own advantage and secure low cost reserve supplies from other markets for Class I use.

Seasonal supplies may be obtained easily and cheaply during the months of flush production when most markets have receipts of milk considerably greater than necessary to supply their own fluid requirements. If neighboring milksheds dispose of their seasonal surpluses in each others Class I markets, the results would be chaotic and disorderly marketing conditions. Class I prices would be demoralized, production of milk would be impaired, and the present and future permanent supply of milk for both markets would be jeopardized. Such market conditions would be contrary to the purposes of the Agricultural Marketing Agreement Act. Accordingly, to insure the effectiveness of the classified pricing plan and to promote orderly marketing, it is necessary that a method of compensating for or neutralizing the effect of the advantages created for unpriced milk should be provided as an essential part of this order.

One alternative suggested at the hearing would be the extension of regulation under the order to all plants which supply milk either directly or indirectly to the Oklahoma Metropolitan market. This alternative is not feasible either administratively or economically. It would open the marketwide pool to anyone who chose to supply a token amount of milk to a plant supplying the area even though the plant of origin was primarily a manufacturing plant. Milk from farmers which is not regularly associated with or needed on the market, and is used primarily for manufacturing purposes, would thus share in the Class I sales and the uniform price. It would permit handlers and the producers of such milk to "ride the pool" without performing any necessary service to the market. In addition, such regulation would be cumbersome, expensive, difficult to enforce and it would interfere with the acquisition of supplemental supplies when they were needed on the market. It would be neither possible nor desirable to limit the number of plants or the area from which milk might be secured. In order to bring such plants under regulation, it would be necessary to establish rules for transfers and allocation which were individually tailored for various plant locations, markets and supplies. It would be necessary for milk to be accounted for in its disposition from these plants to its various destinations and uses in order to determine its proper classification. It would be necessary also to ascertain the sources of supply, other than direct receipts from dairy farmers, at such plants and determine what priority should be given to such supplies in the allocation of Class I milk. Further complications would be encountered in the classification of inventories. Earlier inventories as well as sales would have to be confirmed and classified. Classification of much of the milk involved might depend on transactions made in the past for which no records have been kept. Producer prices would be fixed for milk which had already been purchased and sold. The required bookkeeping and auditing problems would be greatly multiplied under such regulation.

It is concluded therefore, that it is not practicable to price all milk which enters the market. However, it is necessary to make provisions which will prevent the displacement of producer milk by such unpriced milk in order to gain a cost advantage. The most practical method under the order is to levy a charge against such unpriced milk used in Class I to the extent necessary to remove any advantage in using such milk in lieu of priced milk from producers.

In the case of other source milk received in the form of concentrated products such as condensed skim milk or nonfat dry milk, the cost to the handler of such products is approximately the Class II price specified in the Oklahoma Metropolitan marketing order. When such products are reconstituted and utilized as Class I milk the cost to the handler of such products is less than the Class I price by approximately the dif-

ference between the Class I price and the Class II price. In order to remove any price advantage that might accrue to a handler through the reconstitution of manufactured products into fluid milk products the rate of compensatory payment on other source milk received in the form of concentrated products should be the difference between the Class I price and the Class II price adjusted by the appropriate butterfat differentials.

Since concentrated products in the form of nonfat dry milk or condensed skim milk which originate outside the market are usually purchased through brokers it is generally impossible to determine the plant of origin. Accordingly, from an administrative standpoint the source of such products must be considered the plant at which they are reconstituted. Hence, no location differential should be applied in determining the rate of the compensatory payment with respect to such products.

In addition to the other source milk which may enter the market in the form of concentrated products there are times when fluid milk is imported from unregulated markets for Class I use.

To remove the price advantage that a handler might achieve by purchasing surplus milk from other markets for use as Class I milk, a compensatory payment should be assessed on such milk equal to the difference between the Class I price and the Class II price. The Class II price provided by the Oklahoma Metropolitan order is a fair index of the value of such milk in manufactured dairy products which constitute the alternative outlet for such milk. Since the handler must pay the cost of transporting such milk from the plant or origin to the marketing area, the rate of the payment should be reduced by the location differential which would apply at the plant of origin were it a regulated plant under the Oklahoma Metropolitan order.

In the recommended decision of the Deputy Administrator, Agricultural Marketing Service, in this matter, it was recommended that the rate of payment be the difference between the Class I and Class II price during the months of February through July and at the difference between the Class I price and the uniform price during the remaining months when there was greater possibility that the market might be short of milk and find it necessary to import other source milk from unregulated sources.

In exceptions to the recommended decision it was pointed out that, as a result of the application of the location differentials, on milk purchased at distant points, a rate equal to the difference between the Class I and uniform prices might exceed the difference between the Class I and Class II prices at such points. Such a situation could discourage handlers from acquiring other source milk even when it was needed on the market.

After a further review of the record evidence, it has been concluded that the rate of the compensatory payment should be uniform throughout the year in an amount equal to the difference between the Class I and Class II prices. In order to permit handlers to secure supplementary supplies without making a payment when the market is actually short of milk, it has been provided that no compensatory payment will apply any month in which receipts of producer milk on the market are less than 110 percent of Class I sales.

In computing the applicable location differentials, if a handler has received other source milk in the form of fluid milk products from two or more nonpool plants, the milk allocated to Class I should be considered to have been received from the plants in sequence according to the smallest location adjustment which would be applicable.

In addition to the milk described above which may enter the market from unregulated sources through pool plants, there may be milk disposed of directly on routes in the marketing area from nonpool plants. The circumstances surrounding the acquisition of such milk and the prices at which it may be obtained are comparable to those relating to other source milk which may be acquired for fluid distribution by pool plants. Thus the rates of compensatory payments assessed on other source milk distributed on routes in the area from nonpool plants should be the same as that assessed against pool plants with respect to other source milk which they distribute. In the case of distribution from nonpool plants the payment should be assessed on the volume of milk actually disposed of as Class I milk within the Oklahoma Metropolitan marketing area.

No compensatory payment however should apply to milk which enters the marketing area either directly or through pool plants from a plant which is regulated under another order issued pursuant to the Act. In such cases the proper classification and pricing of the milk will be determined by the other order.

6. Concentrated products which are reconstituted or used in the fortification of fluid milk products should be accounted for in terms of their skim milk equivalent.

Fluid milk products which contain concentrated skim milk solids, such as skim milk drinks and buttermilk to which extra solids have been added, or concentrated whole milk disposed of for fluid use, should be included under the Class I milk definition and all the solids therein should be priced at the same rate. Products such as evaporated or condensed milk packaged in bulk or in hermetically sealed cans would not be considered as Class I milk; they need not be handled as fluid milk products nor need they be made from Grade A milk exclusively.

Skim milk and butterfat are not used in many products in the same proportions as contained in the milk received from producers, and therefore should be classified separately according to their separate uses. The skim milk serum and butterfat content of milk products, received and disposed of by a handler, can be determined through certain recognized testing procedures. Some of these products, such as ice cream and condensed products, present a difficult problem of testing (and accounting) in that some of the water contained in the milk has been removed. It is necessary, in the case of such products, to provide an acceptable means of ascertaining the amount of skim milk and butterfat contained in, or used to produce, these products. This may be accomplished through the use of adequate plant records made available to the market administrator in the case of products manufactured by a handler or by means of standard conversion factors of skim milk and butterfat used to produce such products in the case of products purchased by a handler or where plant production records are inadequate.

The accounting procedure to be used in the case of any condensed milk product should be based on the pounds of milk or skim milk required to produce such product. Concentrated skim milk solids are used to fortify Class I milk products. These solids are required to come from Grade A milk.

Neither the form in which, nor the source from which, such solids are obtained alters their value to the handler for this purpose. Solids contained in producer skim milk are in fluid form and are paid for on the basis of all the water originally associated with the solids. In order to account for skim milk solids in powdered or concentrated form on a basis comparable to that used in accounting for liquid skim milk in producer milk it is necessary to account for such solids on the basis of the amount of skim milk necessarily used in producing such solids. Therefore, the accounting procedure to be used in the case of this and any condensed milk product should be based on the pounds of milk or skim milk required to produce such product.

7. Provision should be made so that a handler who so desires may have two accounting periods within a month.

This would permit handlers to have two complete accounting periods within a month if they felt it would be to their advantage to do so. It would permit other source milk to be assigned to Class I under certain circumstances when the market was short of producer milk during a portion of the month and supplemental supplies became necessary. Such circumstances might arise during periods of seasonal increases in or decreases in Class I sales or production. Receipts of a handler from producers during such a period might be adequate at the beginning of the month but be less than Class I sales at the end of the month. The proponents pointed out that the excess of producer milk at the beginning of such month would be at least partly allocated to Class I milk under the monthly accounting period even though it were obviously not available for Class I use when supplies became short. The same situation would prevail in reverse if supplies were inadequate at the beginning of a month and more than ample at the end of a month. The handlers proposed that they be allowed to elect two accounting periods within the month.

The monthly accounting system has become the standard under milk order regulation and is generally accepted as the most practicable method of applying the provision of the Act which requires that milk be classified "in ac-

cordance with the form in which or the purpose for which it is used * * *." There are administrative limitations involved in accounting for specific lots of milk according to its actual or physical disposition. The allocation provisions such as those contained in the Oklahoma Metropolitan milk marketing order are necessary to distinguish the uses of "producer milk" and "other source milk" for classification purposes. These provisions eliminate the impossible administrative task of ascertaining the particular use of each hundredweight of milk from each source and make possible an accounting system which has practical application. The extent to which producer milk may be given priority assignment to the higher valued uses has been established as the prerogative of the Secretary in formulating provisions which will provide reasonable protection for producers against the substitution of unregulated, unpriced milk and thus promote orderly marketing. In any event a handler is never compelled to pay producers for any greater utilization of milk than he actually makes in the particular class.

At the present time the Oklahoma Metropolitan market is adequately supplied with milk. However, in an area such as this where severe drought may occur it is not impossible that such a situation could develop in the future because of weather conditions or other unforeseen circumstances. Under such circumstances handlers might occasionally experience difficulty in maintaining an adequate supply to meet unpredicted fluctuations in sales and production. It appears that the additional freedom in procurement which handlers would have under their proposal would be of benefit in assuring an adequate supply for the market at all times. It would also benefit producers in that it would remove the principal factor which might deter handlers from taking on additional producer supplies as they became available during the month.

It is highly unlikely that all handlers in the market would need to exercise, at the same time, the privilege of using two accounting periods within a month. This consideration bears on the cost of administering the order and the sharing of the burden of this cost among handlers. The division of a month into two accounting periods would require the proof of receipts, sales, inventories, and shrinkage for each accounting period as well as the allocation of utilization between the various sources of milk. It is apparent that the administrative costs involved in verifying handlers' reports and dealing with the additional administrative problems would be increased and that these increased costs would be directly associated with the operations of the handler who elected to use the shorter accounting period. Thus there would not be an equitable sharing of the administrative cost among handlers unless the additional expense involved were borne by the handler responsible. There is not now any experience in this market by which to measure precisely how much additional expense would be incurred. It appears however, that the administrative cost of verifying a handler's operations for an accounting period would be virtually identical regardless of the length of the accounting period. On this basis the order provisions assign administrative expense and therefore a handler electing to use two accounting periods within a month would pay for administrative expense at a rate double that paid by other handlers who had only one accounting period during the month. It is provided however, that after actual experience the amounts could be reduced if the actual cost proves to be less than the regular rate.

In the interest of efficient administration it should be provided that no accounting period be of less than 5 days duration. This is necessary to insure that adequate provision is made for the performance of all functions necessary for the proper verification of the receipts and utilization of milk, particularly the checking of the butterfat content of milk and dairy products.

In order to avail himself of two accounting periods within a month a handler must notify the market administrator in writing at least 48 hours prior to the expiration of the first accounting period within the month that he desires two accounting periods. This is essential so that the market administrator may have the opportunity to verify inventories and take such other procedures as he deems requisite.

8. The definitions of the plants which would be subject to full regulation should be revised.

At the present time any plant which distributes even one quart of milk in the marketing area on routes is subject to full regulation under the order. However, supply plants unless they receive milk from dairy farmers who are under the regular inspection of municipal health authorities in the marketing area are not subject to regulation. Recent developments in the market have shown the inadequacy of the present plant definitions since one distributing plant has ceased purchasing milk from producers and receives its entire supply of milk from a plant which is unregulated because the farmers who supply it with milk are not under the regular inspection of a municipal health authority in the marketing area. Producers have also indicated they fear the possibility of a plant which is primarily a manufacturing plant becoming a pool plant on the market by distributing a small quantity of milk on routes in the marketing area.

A distributing plant, to be regulated, should dispose of an amount equal to at least 50 percent of its receipts of Grade A milk from other pool plants and from dairy farmers as Class I milk and in addition should dispose of at least 5 percent of such Grade A receipts as Class I milk on routes in the marketing area.

A plant which distributes less than 50 percent of its total receipts from dairy farmers as Class I milk should not be considered as primarily in the fluid milk business and any distributing plant which does less than 5 percent of its total fluid business in the marketing area should not be considered as substantially associated with the local market.

All of the distributing plants which are regulated at the present time distribute more than 5 percent of their receipts of Grade A milk on routes within the marketing area. There is no evidence on the record to indicate that any of these plants dispose of less than 50 percent of their total receipts of Grade A milk as Class I milk.

A supply plant to be subject to regulation should dispose of an amount equal to at least 50 percent of its receipts from Grade A dairy farmers as fluid milk to distributing plants which are subject to full regulation under the order during the months of September through December.

A supply plant which furnishes at least 50 percent of its receipts of Grade A milk to distributing plants in the marketing area during each of the months of shortest production, September through December, is clearly associated with the market and is functioning as a primary source of supply for the market. It should be permitted to continue to be a pool plant even though it does not supply 50 percent of its milk to distributing plants during the remaining months of the year. Because of the seasonal fluctuation in production and the changing pattern of sales in most markets it frequently happens that plants whose milk is needed on the market during the periods of short supply are not required to furnish milk in large quantities during other months of the year. It would be uneconomical to require milk to be shipped from supply plants to the marketing area when receipts from producers at distributing plants are adequate to meet the fluid milk requirements of the market particularly since this probably would necessitate the movement of milk from the distributing plants to other outlets for manufacturing. It would likewise cause chaotic marketing conditions to drop from the pool during the months of flush production plants whose milk was needed on the market during certain seasons of the year.

Thus a supply plant which qualifies as a pool plant during each of the months of September through December will retain its pool status during the following months of flush production unless it notifies the market administrator in writing prior to the end of any month that it desires to discontinue its status as a pool plant.

The present order provides that a plant operated by a cooperative association whose producer members deliver milk to the pool plants of other handlers shall be a pool plant. The attached amended order will bring under regulation 2 additional plants operated by one of the cooperative associations on the market. The cooperative should be afforded the same consideration with respect to deliveries to other pool plants operated by itself as with respect to deliveries to pool plants operated by other handlers. Accordingly, the definition of pool plant should be modified to accommodate this situation.

9. The transfer provisions with respect to the movement of cream to nonpool plants should be revised.

At the present time the order provides that any cream which is disposed of to a nonpool plant may be classified as Class

II if the handler claims a Class II classification and establishes the fact that the cream was transferred without a Grade A certificate and that each container was labeled to indicate that such cream was intended for manufacturing purposes only. With respect to shipments of milk or skim milk, however, the order provides that the market administrator shall verify the actual utilization of such products on shipments of less than 300 miles and that such products shall automatically be Class I if transferred to a plant more than 300 miles from the City Hall in either Oklahoma City or Tulsa.

It is provided in the attached order that the market administrator shall classify transfers of cream within the 300-mile radius in the same manner as he now verifies shipments of milk or skim milk. Since shipments of cream beyond the 300-mile radius are frequently made for utilization in ice cream, it would be impracticable to classify all shipments of cream beyond the 300-mile zone as Class I milk. To do so might place a burden on the market by making it difficult to dispose of seasonal surpluses of cream in the more attractive outlets. The present provisions of the order with respect to transfers of cream should continue to apply to shipments beyond the 300-mile radius but it also should be provided that a handler to establish Class II classification on such shipments of cream must give the market administrator sufficient notification of the intended shipment that he may verify that such cream was moved without Grade A certification and that the containers were actually marked to indicate their contents were for manufacturing use only.

10. Certain other changes of an administrative nature should be made to bring the provisions of the order into conformity with the amendments recommended above and to facilitate the administration of the order.

The producer definition should be amended to exclude any person whose milk is diverted directly from the farm to a pool plant regulated under another order if such person is defined as a producer under another order pursuant to the Act. This question has arisen in the past. Under the present definition a person whose milk is so diverted is a producer under the Oklahoma Metropolitan marketing order but in many instances is also a producer under the order regulating the plant to which his milk is diverted. It is recommended that such a person be a producer under the Oklahoma Metropolitan marketing order only if the other order does not define him as a producer.

The "producer milk" definition should be revised to exclude milk which is received from other pool plants since plants may have both milk from producers and other source milk. The administrative problem in determining whether transfers are of producer milk or of other source milk imposes a burden on the market administrator in allocating producer milk in a handler's plant. The elimination of such milk from the producer milk definition will not affect the overall operation of the order but will simplify the accounting procedures.

The term "fluid milk product" should also be defined. The use of this term which includes milk, skim milk, buttermilk, flavored milk, flavored milk drinks, fresh cream, cultured sour cream, and mixtures such as half and half, will eliminate the necessity of itemizing such products in several sections of the order. It does not affect the classification of any item.

Except for the amendments specifically discussed above, any other changes in the language in the order are merely for the purpose of bringing the remaining provisions of the order into conformity with the recommended amendments and do not in any way affect either the scope or the application of the order.

Rulings on findings and conclusions. Briefs and proposed findings and conclusions were filed on behalf of certain interested parties in the market. These briefs, proposed findings and conclusions, and the evidence in the record were considered in making the findings and conclusions set forth above. To the extent that the suggested findings and conclusions filed by interested parties are inconsistent with the findings and conclusions set forth herein, the requests to make such findings or to reach such conclusions are denied for the reasons previously stated in this decision.

General findings. The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) The tentative market agreement and the order, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(b) The parity prices of milk as determined pursuant to section 2 of the Act are not reasonable in view of the prices of feeds, available supplies of feeds, and other economic conditions which affect market supply of and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as hereby proposed to be amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The tentative marketing agreement and the order, as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in the marketing agreement upon which a hearing has been held.

Rulings on exceptions. In arriving at the findings and conclusions, and the regulatory provisions of this decision, each of the exceptions received was carefully and fully considered in conjunction with the record evidence pertaining thereto. To the extent that the findings and conclusions, and the regulatory provisions of this decision are at variance with any of the exceptions, such exceptions are hereby overruled for the reasons previously stated in this decision.

Marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled respectively, "Marketing Agreement Regulating the Handling of Milk in the Oklahoma Metropolitan Marketing Area", and "Order Amending the Order Regulating the Handling of Milk in the Oklahoma Metropolitan Marketing Area", which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions.

It is hereby ordered, That all of this decision except the attached marketing agreement, be published in the FEDERAL REGISTER. The regulatory provisions of said marketing agreement are identical with those contained in the order as hereby proposed to be amended by the attached order which will be published with this decision.

Referendum order; determination of representative period; and designation of referendum agent. It is hereby directed that a referendum be conducted to determine whether the issuance of the attached order amending the order regulating the handling of milk in the Oklahoma Metropolitan marketing area, is approved or favored by the producers, as defined under the terms of the order, as hereby proposed to be amended, and who, during the representative period, were engaged in the production of milk for sale within the aforesaid marketing area.

The month of December 1959 is hereby determined to be the representative period for the conduct of such referendum.

Richard E. Arnold is hereby designated agent of the Secretary to conduct such referendum in accordance with the procedure for the conduct of referenda to determine producer approval of milk marketing orders (15 F.R. 5177), such referendum to be completed on or before the 30th day from the date this decision is issued.

Issued at Washington, D.C., this 12th day of April 1960.

CLARENCE L. MILLER,
Assistant Secretary.

Order[1] *Amending the Order Regulating the Handling of Milk in the Oklahoma Metropolitan Marketing Area*

[1] This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

AUTHORITY: §§ 906.0 to 906.101 issued under secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674.

§ 906.0 Findings and determinations.

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk in the Oklahoma Metropolitan marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(2) The parity prices of milk, as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the said marketing area, and the minimum prices specified in the order as hereby amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest;

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, a marketing agreement upon which a hearing has been held.

(4) All milk and milk products handled by handlers, as defined in the order as hereby amended, are in the current of interstate commerce or directly burden, obstruct, or affect interstate commerce in milk or its products; and

(5) It is hereby found that the necessary expense of the market administrator for the maintenance and functioning of such agency will require the payment by each handler, as his pro rata share of such expense, 4 cents per hundredweight or such amount not to exceed 4 cents per hundredweight as the Secretary may prescribe with respect to all milk pursuant to § 906.88.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof, the handling of milk in the Oklahoma Metropolitan marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as hereby amended, and the aforesaid order is hereby amended as follows:

DEFINITIONS

§ 906.1 Act.

"Act" means Public Act No. 10, 73d Congress, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.).

§ 906.2 Secretary.

"Secretary" means the Secretary of Agriculture or other officer or employee of the United States authorized to exercise the powers or to perform the duties of the said Secretary of Agriculture.

§ 906.3 Department.

"Department" means the United States Department of Agriculture or such other Federal agency authorized to perform the price reporting functions specified in this subpart.

§ 906.4 Person.

"Person" means any individual, partnership, corporation, association, or any other business unit.

§ 906.5 Cooperative association.

"Cooperative association" means any cooperative marketing association of producers which the Secretary determines, after application by the association:

(a) To be qualified under the provisions of the act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act";

(b) To have full authority in the sale of milk of its members; and

(c) To be engaged in making collective sales or marketing milk or its products for its members.

§ 906.6 Oklahoma Metropolitan marketing area.

"Oklahoma Metropolitan, marketing area", hereinafter called the "Marketing Area", means all the territory within Tulsa County; the city of Sapulpa, and the township of Sapulpa in Creek County; that part of Black Dog Township in 20 North, Ranges 10, 11, and 12 East in Osage County; the cities of Muskogee, McAlester, Ponca City, and Tahlequah; Oklahoma County, except Deer Creek, Deep Fork, and Luther Townships; Moore, Taylor, Case, Liberty, Norman, and Noble Townships in Cleveland County; Bales, Davis, Dent, Brinton, Rock Creek, Forest, and Earlsboro townships in Pottawatomie County; the city and township of Guthrie in Logan County; the city and township of Stillwater and Union Township, including the city of Cushing in Payne County; and the city of Enid and Vance Air Force Base in Garfield County; all in the State of Oklahoma.

§ 906.7 Distributing plant.

"Distributing plant" means a plant:

(a) Which is approved by a duly constituted state or municipal health authority, or which is acceptable to an agency of the Federal Government for

the disposition of milk at an installation in the marketing area;

(b) In which milk or skim milk is processed or packaged; and

(c) Which receives Grade A milk from other pool plants or from dairy farmers who would be producers if this plant qualified as a pool plant and from which an amount equal to 50 percent of such receipts is disposed of as Class I milk, and an amount equal to at least 5 percent of such receipts is disposed of as Class I milk on routes in the marketing area.

§ 906.8 Supply plant.

"Supply plant" means a plant which receives milk from approved dairy farmers who would be producers if this plant qualified as a pool plant and from which an amount equal to 50 percent of the receipts from such approved farmers is shipped to a distributing plant during the month in the form of fluid milk products: *Provided,* That any plant which qualifies as a pool plant during each of the months of September through December shall be a supply plant for the following months of January through August except that if the operator of such plant so requests the market administrator in writing, its pool plant status shall be terminated the first day of the month following receipt of such notification.

§ 906.9 Pool plant.

"Pool plant" means:

(a) A distributing plant (other than that of a producer-handler or one which is exempt pursuant to § 906.61);

(b) A supply plant; and

(c) A plant at which milk is received directly from the farms of dairy farmers holding permits or authorizations issued by a health authority having jurisdiction in the marketing area and which is operated by a cooperative association having member producers whose milk is received at other pool plants.

§ 906.10 Nonpool plant.

"Nonpool plant" means any milk plant which is not a pool plant.

§ 906.11 Handler.

"Handler" means:

(a) Any person in his capacity as the operator of one or more pool plants: *Provided,* That in the case of recognized divisions of a corporation which are operated as separate business units, each such division shall be deemed to be a handler;

(b) Any person in his capacity as the operator of a nonpool plant from which Class I milk is disposed of on routes in the marketing area;

(c) A cooperative association which owns or operates a plant described in § 906.9(c) with respect to the milk of its member producers which is delivered to the pool plant of another handler in a tank truck owned or operated by such cooperative association for the account of such cooperative association (such milk shall be considered to have been received by such cooperative association at a pool plant at the location of the plant to which it is delivered); or

(d) Any cooperative association with respect to the milk of producers which it causes to be diverted to nonpool plants for the account of such cooperative association.

§ 906.12 Producer.

"Producer" means any person, other than a producer-handler, who under a dairy farm permit, authorization, or rating for the production of milk to be disposed of as Grade A milk issued by a duly constituted state or municipal health authority, or by an agency of the Federal Government located in the marketing area, produces milk which is received at a pool plant directly from the farm of such person. This definition shall include any person meeting the above requirements whose milk is caused by a handler to be diverted from a pool plant to a nonpool plant for the account of such handler, and milk so diverted shall be deemed to have been received at the pool plant from which it is diverted for the purpose of determining location differentials pursuant to § 906.81. This definition shall not include any person with respect to milk produced by him which is received at a plant which is regulated by another order issued pursuant to the Act if the other order requires such person to be designated as a producer.

§ 906.13 Producer milk.

"Producer milk" means all skim milk and butterfat in milk, produced by a producer which is received by a handler either directly from producers or from other handlers as defined in § 906.11(c).

§ 906.14 Other source milk.

"Other source milk" means all skim milk and butterfat, other than that contained in producer milk or in receipts of fluid milk products from other pool plants, and products designated as Class II milk pursuant to § 906.41(b) from any source (including those from a plant's own production) which are reprocessed or converted to another product in the plant during the month, and any disappearance of nonfluid milk products not otherwise accounted for.

§ 906.15 Producer-handler.

"Producer-handler" means any person who produces milk and operates a distributing plant, but who receives no milk from producers or other dairy farmers.

§ 906.16 Base milk and excess milk.

(a) "Base milk" means milk received by a handler from a producer during any of the months of March through June 1960, which is not in excess of such producer's daily base computed pursuant to § 906.65 multiplied by the number of days in such month for which such producer delivered milk to such handler.

(b) "Excess milk" means milk received by a handler from a producer during any of the months of March through June 1960, which is in excess of the base milk received from such producer during such month, and shall include all milk received from producers for whom no daily average base has been computed, pursuant to § 906.65.

§ 906.17 Route.

"Route" means any delivery (including any delivery by a vendor or disposition at a plant store) of fluid milk products other than a delivery in bulk to a milk plant.

§ 906.18 Fluid milk products.

"Fluid milk products" means milk, skim milk, buttermilk, flavored milk, flavored milk drinks, cream (except cream stored and frozen), cultured sour cream, and any mixture in fluid form of cream and milk or skim milk (except bulk ice cream mix).

§ 906.19 Accounting period.

"Accounting period" shall mean a calendar month unless the handler during any calendar month makes a request in writing to the market administrator requesting two accounting periods during the month. No accounting period shall be of less than 5 days duration and the request for 2 accounting periods must be made at least 48 hours prior to the end of the first accounting period in the month.

MARKET ADMINISTRATOR

§ 906.20 Designation.

The agency for the administration of this part shall be a market administrator, selected by the Secretary, who shall be entitled to such compensation as may be determined by, and shall be subject to removal at the discretion of, the Secretary.

§ 906.21 Powers.

The market administrator shall have the following powers with respect to this part:

(a) To administer its terms and provisions;

(b) To receive, investigate, and report to the Secretary complaints of violations;

(c) To make rules and regulations to effectuate its terms and provisions; and

(d) To recommend amendments to the Secretary.

§ 906.22 Duties.

The market administrator shall perform all duties necessary to administer the terms and provisions of this part, including but not limited to the following:

(a) Within 30 days following the date on which he enters upon his duties, or such lesser period as may be prescribed by the Secretary, execute and deliver to the Secretary a bond, effective as of the date on which he enters upon such duties and conditioned upon the faithful performance of such duties, in an amount and with surety thereon satisfactory to the Secretary;

(b) Employ and fix the compensation of such persons as may be necessary to enable him to administer its terms and provisions;

(c) Obtain a bond in a reasonable amount and with reasonable surety thereon covering each employee who handles funds entrusted to the market administrator;

(d) Pay out of funds provided by § 906.88 the cost of his bond and of the bonds of his employees, his own compensation, and all other expenses (except those incurred under § 906.87) neces-

sarily incurred by him in the maintenance and functioning of his office and in the performance of his duties;

(e) Keep such books and records as will clearly reflect the transactions provided for in this part, and upon request by the Secretary surrender the same to such other person as the Secretary may designate;

(f) Submit his books and records to examination by the Secretary and furnish such information and reports as may be requested by the Secretary;

(g) Audit all reports and payments by each handler by inspection of such handler's records and of the records of any other handler or person upon whose utilization the classification of skim milk or butterfat for such handler depends;

(h) Publicly announce, at his discretion, unless otherwise directed by the Secretary, by posting in a conspicuous place in his office and by such other means as he deems appropriate, the name of any person who, after the day upon which he is required to perform such acts, has not:

(1) Made reports pursuant to §§ 906.30 to 906.32, inclusive,

(2) Maintained adequate records and facilities pursuant to § 906.33, or

(3) Made payments pursuant to §§ 906.80 to 906.88, inclusive;

(i) On or before the 12th day after the end of each month, report to each cooperative association which so requests the amount and class utilization of milk caused to be delivered by such cooperative association either directly or from producers who are members of such cooperative association, to each handler to whom the cooperative association sells milk. For the purposes of this report, the milk caused to be so delivered by a cooperative association shall be prorated to each class in the proportion that the total receipts of producer milk by such handler were used in each class;

(j) Publicly announce by posting in a conspicuous place in his office and by such other means as he deems appropriate the prices determined for each month as follows:

(1) On or before the 5th day of each month the minimum price for Class I milk computed pursuant to § 906.51(a) and the Class I butterfat differential computed pursuant to § 906.52(a), both for the current month; and the minimum price for Class II milk pursuant to § 906.51(b) and the Class II butterfat differential computed pursuant to § 906.52(b) both for the previous month.

(2) On or before the 12th day of each month the uniform price(s) computed pursuant to § 906.72 or § 906.73, as applicable, and the butterfat differential computed pursuant to § 906.82, both for the previous month; and

(k) Prepare and disseminate to the public such statistics and information as he deems advisable and as do not reveal confidential information.

REPORTS, RECORDS AND FACILITIES

§ 906.30 Reports of receipts and utilization.

On or before the 7th day after the end of each month each handler, except a producer-handler, shall report to the market administrator for each accounting period in the month in detail on forms prescribed by the market administrator as follows:

(a) The quantities of skim milk and butterfat contained in milk received from producers, and for the months of March through June, 1960, the aggregate quantities of base milk and excess milk;

(b) The quantities of skim milk and butterfat contained in (or used in the production of) receipts from other handlers;

(c) The quantities of skim milk and butterfat contained in receipts of other source milk (except Class II products disposed of in the form in which received without further processing or packaging by the handler);

(d) The utilization of all skim milk and butterfat required to be reported pursuant to this section;

(e) The disposition of Class I products on routes wholly outside the marketing area; and

(f) The quantities of skim milk and butterfat contained in opening and closing inventories;

(g) Such other information with respect to receipts and utilization as the market administrator may prescribe.

§ 906.31 Reports of payments to producers.

On or before the 20th day of each month, each handler who operates a pool plant shall submit to the market administrator his producer payroll for deliveries of the preceding month which shall show: (a) The total pounds of milk received from each producer and cooperative association, the total pounds of butterfat contained in such milk and the number of days on which milk was received from such producers, including for the months of March through June 1960, such producer's deliveries of base and excess milk; (b) the amount of payment to each producer or cooperative association; and (c) the nature and amount of any deductions or charges involved in such payments.

§ 906.32 Other reports.

(a) Each producer-handler shall make reports to the market administrator at such time and in such manner as the market administrator may prescribe, and

(b) Each handler who causes milk to be diverted to a nonpool plant, shall, prior to such diversion, report to the market administrator and to the cooperative association of which such producer is a member, his intention to divert such milk, the proposed date or dates of such diversion, and the plant to which such milk is to be diverted.

§ 906.33 Records and facilities.

Each handler shall maintain and make available to the market administrator or to his representative during the usual hours of business such accounts and records of his operations and such facilities as are necessary for the market administrator to verify or establish the correct data with respect to: (a) The receipts and utilization of all receipts of producer milk and other source milk; (b) the weights and tests for butterfat and other content of all milk, skim milk, cream, and milk products handled; (c) payments to producers and cooperative association; and (d) the pounds of skim milk and butterfat contained in or represented by all milk, skim milk, cream, and milk products on hand at the beginning and end of each month.

§ 906.34 Retention of records.

All books and records required under this subpart to be made available to the market administrator shall be retained by the handler for a period of three years to begin at the end of the month to which such books and records pertain: *Provided,* That if, within such three-year period, the market administrator notifies the handler in writing that the retention of such books and records, or of specified books and records, is necessary in connection with a proceeding under section 8c(15)(A) of the Act or a court action specified in such notice, the handler shall retain such books and records, or specified books and records, until further written notification from the market administrator. In either case the market administrator shall give further written notification to the handler promptly, upon the termination of the litigation or when the records are no longer necessary in connection therewith.

CLASSIFICATION

§ 906.40 Skim milk and butterfat to be classified.

All skim milk and butterfat received during each accounting period by a handler which is required to be reported pursuant to § 906.30 shall be classified by the market administrator pursuant to the provisions of § 906.41 to § 906.46, inclusive.

§ 906.41 Classes of utilization.

(a) Class I milk shall be all skim milk (including reconstituted skim milk) and butterfat disposed of in the form of fluid milk products (except as provided in paragraph (b) of this section) and all skim milk and butterfat not specifically accounted for under paragraph (b) of this section; and

(b) Class II milk shall be all skim milk and butterfat:

(1) Used to produce any product other than a fluid milk product,

(2) In cream stored and frozen,

(3) Disposed of for livestock feed,

(4) In skim milk dumped, after prior notification to, and opportunity for verification by the market administrator,

(5) In actual shrinkage of producer milk in an amount not to exceed one-half percent of the total pounds of skim milk and butterfat received directly from producers' farms, plus one and one-half percent of the total pounds of skim milk and butterfat in milk, skim milk and cream in fluid form received at a pool plant from both producers and other handler,

pool plants and which were not disposed of in bulk to the pool plant of another handler,

(6) In shrinkage of other source milk, and

(7) In inventory as fluid milk products at the end of the accounting period.

§ 906.42 Shrinkage.

The market administrator shall determine the assignment of shrinkage to Class II milk as follows:

(a) Determine the total shrinkage of butterfat and skim milk in each pool plant; and

(b) Assign the shrinkage of skim milk and butterfat pro rata between producer milk and other source milk.

§ 906.43 Responsibility of handlers and reclassification of milk.

(a) All skim milk and butterfat shall be Class I milk unless the handler who first receives such skim milk or butterfat can prove to the market administrator that such skim milk or butterfat should be classified otherwise.

(b) Any skim milk or butterfat classified as Class II milk shall be reclassified if such skim milk or butterfat is later disposed of by such handler or another handler (whether in original form or other form) as Class I milk. Any skim milk or butterfat which was classified as Class II in the previous month pursuant to § 906.41(b)(7) shall be reclassified as Class I milk if it is subtracted in the current month from Class I pursuant to § 906.46(a)(6).

§ 906.44 Transfers.

Skim milk or butterfat disposed of from a pool plant either by transfer or diversion shall be classified:

(a) As Class I milk if diverted or transferred in bulk in the form of milk, skim milk or cream, including milk caused to be delivered to such handler's pool plant(s) from producers' farms by a cooperative association in its capacity as a handler pursuant to § 906.11(c), to the pool plant of another handler (except a producer-handler) unless utilization in Class II is mutually indicated in writing to the market administrator by both handlers on or before the 7th day after the end of the month within which such transaction occurred: *Provided,* That the skim milk or butterfat so assigned to Class II shall be limited to the amount thereof remaining in Class II in the plant of the transferee-handler after the subtraction of other source milk pursuant to § 906.46, and any additional amounts of such skim milk or butterfat shall be assigned to Class I: *And provided further,* That if either or both handlers have received other source milk, the skim milk or butterfat so transferred or diverted shall be classified at both plants so as to allocate the greatest possible Class I utilization to producer milk. In no case shall the amount of milk assigned to Class I in the transferee plant be greater than the difference between its total receipts of milk and its total utilization of such milk in Class II;

(b) As Class I milk if transferred to a producer-handler in the form of milk, skim milk or cream;

(c) As Class I milk if diverted or transferred in bulk in the form of milk or skim milk to a nonpool plant located more than 300 miles from the City Hall in either Oklahoma City or Tulsa, Oklahoma, by the shortest hard-surfaced highway distance as determined by the market administrator;

(d) As Class I milk if transferred in bulk in the form of cream to a nonpool plant located more than 300 miles from the City Hall in either Oklahoma City or Tulsa, Oklahoma, by the shortest hard-surfaced highway distance as determined by the market administrator, unless the handler claims classification as Class II milk, establishes the fact that such cream was transferred without Grade A certification, each container was tagged or labeled to show that the contents were only for manufacturing use, the shipment was invoiced accordingly, and the market administrator was given sufficient notice to allow him to verify the shipment;

(e) (1) As Class I milk, if diverted or transferred in bulk in the form of milk, skim milk, or cream to a nonpool plant located not more than 300 miles by the shortest hard-surfaced highway distance from the City Hall in either Oklahoma City or Tulsa, Oklahoma, from which fluid milk is disposed of on wholesale or retail routes or to other milk plants, unless all the following conditions are met:

(i) The market administrator is permitted to audit the records of such nonpool plant; and

(ii) Such nonpool plant received milk from dairy farmers who the market administrator determines constitute its regular sources of supply for Class I milk;

(2) If these conditions are met the market administrator shall classify such milk as reported by the handler subject to verification as follows: (i) Determine the use of all skim milk and butterfat at such nonpool plant, and (ii) allocate the skim milk and butterfat so transferred or diverted to the highest use classification remaining after subtracting in series beginning with the highest use classification, the skim milk and butterfat in milk received at the nonpool plant directly from dairy farmers who the market administrator determines constitute its regular sources of supply for Class I milk;

(f) As Class II milk if diverted or transferred in bulk in the form of milk, skim milk, or cream to a nonpool plant located not more than 300 miles by the shortest hard-surfaced highway distance from the City Hall in either Oklahoma City or Tulsa, Oklahoma, and from which fluid milk is not disposed of on wholesale or retail routes, except that:

(1) If such nonpool plant transfers milk, skim milk, or cream to a pool plant, an equal amount of skim milk and butterfat transferred to such nonpool plant from the pool plants of other handlers shall be deemed to have been transferred directly to the second pool plant and shall be classified pursuant to the provisions of paragraph (a) of this section; and

(2) If such nonpool plant transfers milk, skim milk, or cream to a second nonpool plant which distributes fluid milk on wholesale or retail routes, skim milk or butterfat transferred from the pool plant to the first nonpool plant shall be Class I milk to the extent of the amount so transferred to such second nonpool plant unless it is established that the milk, skim milk, or cream was transferred to the second nonpool plant without Grade A certification and with each container labeled or tagged to indicate that the contents were for manufacturing use only, and that the shipment was so invoiced.

§ 906.45 Computation of skim milk and butterfat in each class.

For each accounting period, the market administrator shall correct for mathematical and for other obvious errors, the monthly report submitted by each handler and shall compute the pounds of skim milk and butterfat in Class I milk and Class II milk. Skim milk contained in any products utilized, produced, or disposed of by the handler during the month shall be considered to be an amount equivalent to the nonfat milk solids contained in such products, plus all the water originally associated with such solids.

§ 906.46 Allocation of skim milk and butterfat classified.

After making the computations pursuant to § 906.45, the market administrator shall determine the classification of producer milk received by each handler in the following manner:

(a) Skim milk shall be allocated as follows:

(1) Subtract from the total pounds of skim milk in Class II milk, the pounds of skim milk in shrinkage of producer milk determined pursuant to § 906.41(b)(5);

(2) Subtract from the remaining pounds of skim milk, in series beginning with Class II milk, the pounds of skim milk in other source milk received in the form of nonfluid milk products, other than condensed skim milk or nonfat dry milk;

(3) Subtract from the remaining pounds of skim milk, in series beginning with Class II milk, the pounds of skim milk in other source milk received in the form of condensed skim milk or nonfat dry milk;

(4) Subtract from the remaining pounds of skim milk in series beginning with Class II milk, the pounds of skim milk in other source milk received in the form of fluid milk products which were not subject to the Class I pricing and payment provisions of another order issued pursuant to the Act;

(5) Subtract from the remaining pounds of skim milk, in series beginning with Class II milk, the pounds of skim milk in other source milk received in fluid milk products which were subject to the Class I pricing and payment provisions of another order issued pursuant to the Act;

(6) Subtract from the remaining pounds of skim milk, in series beginning with Class II milk, the pounds of skim milk in inventory at the beginning of the month in the form of fluid milk products;

(7) Subtract from the remaining pounds of skim milk in each class the skim milk received from other handlers in the form of fluid milk products pursuant to § 906.44;

(8) Add to the pounds of skim milk remaining in Class II, the pounds of skim milk subtracted pursuant to subparagraph (1) of this paragraph; and

(9) If the remaining pounds of skim milk in both classes exceed the pounds of skim milk received from producers, subtract such excess from the pounds of skim milk in each class, beginning with Class II milk. Any amount so subtracted shall be called overage;

(b) Butterfat shall be allocated in the same manner prescribed in paragraph (a) of this section for determining the allocation of skim milk to producer milk; and

(c) Add together the pounds of skim milk and butterfat in each class computed pursuant to paragraphs (a) and (b) of this section and determine the percentage of butterfat in producer milk allocated to each class.

MINIMUM PRICES

§ 906.50 Basic formula price to be used in determining Class I prices.

The basic formula price to be used in determining the price per hundredweight of Class I milk shall be the highest of the prices computed pursuant to paragraphs (a) and (b) of this section and § 906.51 (b) for the preceding month.

(a) The average of the basic or field prices per hundredweight reported to have been paid or to be paid for milk of 3.5 percent butterfat content received from farmers during the month at the following plants or places for which prices have been reported to the market administrator or to the Department, divided by 3.5 and multiplied by 4.0:

Present Operator and Location

Borden Co., Mount Pleasant, Mich.
Carnation Co., Sparta, Mich.
Pet Milk Co., Wayland, Mich.
Pet Milk Co., Coopersville, Mich.
Borden Co., Orfordville, Wis.
Borden Co., New London, Wis.
Carnation Co., Richland Center, Wis.
Carnation Co., Oconomowoc, Wis.
Pet Milk Co., New Glarus, Wis.
Pet Milk Co., Belleville, Wis.
White House Milk Co., Manitowoc, Wis.
White House Milk Co., West Bend, Wis.

(b) The price per hundredweight computed by adding together the plus values pursuant to subparagraphs (1) and (2) of this paragraph;

(1) From the simple average as computed by the market administrator of the daily wholesale selling prices (using the mid-point of any price range as one price) per pound of Grade A (92-score) bulk creamery butter at Chicago, as reported by the Department during the month, subtract 3 cents, add 20 percent thereof and multiply by 4.0; and

(2) From the simple average as computed by the market administrator of the weighted averages of carlot prices per pound for nonfat dry milk solids, spray and roller process, respectively, for human consumption, f.o.b. manufacturing plants in the Chicago area as published for the period from the 26th day of the preceding month through the 25th day of the current month by the Department, deduct 5.5 cents, multiply by 8.5 and then multiply by 0.96.

§ 906.51 Class prices.

Subject to the provisions of §§ 906.52 and 906.53, inclusive, the minimum prices per hundredweight to be paid by each handler for milk received at his plant from producers during the month shall be as follows:

(a) *Class I milk.* The basic formula price plus $1.55 during the months of April, May and June and plus $1.95 during all other months: *Provided,* That for each of the months of September, October, November and December, such price shall not be less than that for the preceding month, and that for each of the months of April, May and June such price shall be not more than that for the preceding month. To this price add or subtract a "supply-demand adjustment" of not more than 50 cents, computed as follows:

(1) Divide the total receipts of producer milk in the second and third months preceding by the total gross volume of Class I milk (excluding interhandler transfers and sales by producer-handlers and handlers partially exempt from this order pursuant to § 906.61) for the same months, multiply the result by 100, and round to the nearest whole number. The result shall be known as the Class I utilization percentage.

(2) Compute a "net deviation percentage" as follows:

(i) If the Class I utilization percentage is neither less than the minimum standard utilization percentage specified below nor in excess of the maximum standard utilization percentage specified below, the net deviation percentage is zero,

(ii) Any amount by which the Class I utilization percentage is less than the minimum standard utilization percentage specified below is a "minus net deviation percentage", and

(iii) Any amount by which the Class I utilization percentage exceeds the maximum standard utilization percentage specified below is the "plus net deviation percentage";

Month for which price applies	Months used in computation	Standard utilization percentage	
		Minimum	Maximum
Jan.	Oct.-Nov.	114	122
Feb.	Nov.-Dec.	117	125
Mar.	Dec.-Jan.	115	123
Apr.	Jan.-Feb.	114	122
May	Feb.-Mar.	118	126
June	Mar.-Apr.	126	134
July	Apr.-May	137	145
Aug.	May-June	139	147
Sept.	June-July	132	140
Oct.	July-Aug.	126	134
Nov.	Aug.-Sept.	120	128
Dec.	Sept.-Oct.	115	123

(3) For a minus "net deviation percentage" the Class I price shall be increased and for a plus "net deviation percentage" the Class I price shall be decreased as follows:

(i) One cent for each such percentage point of net deviation;

(ii) One cent for the lesser of:

(*a*) Each such percentage point of net deviation, or

(*b*) Each percentage point of net deviation of like direction (plus or minus, with any net deviation percentage of opposite direction considered to be zero for purposes of computations of this subparagraph) computed pursuant to subparagraph (2) of this paragraph for the month immediately preceding; plus

(iii) One cent for the least of:

(*a*) Each such percentage point of net deviation;

(*b*) Each percentage point of net deviation of like direction computed pursuant to subparagraph (2) of this paragraph for the month immediately preceding, or

(*c*) Each percentage point of net deviation of like direction computed pursuant to subparagraph (2) of this paragraph for the second preceding month.

(b) *Class II milk.* The average of the basic or field prices reported to have been paid or to be paid for ungraded milk of 4.0 percent butterfat content received from farmers during the month at the following plants or places for which prices have been reported to the market administrator or to the Department.

Present Operator and Location

American Foods Co., Miami, Okla.
Eppler Creamery Co., Tulsa, Okla.
Gilt Edge Dairy, Norman, Okla.
Muskogee Dairy Products Co., Muskogee, Okla.
Page Milk Co., Coffeyville, Kans.
Pet Milk Co., Siloam Springs, Ark.

§ 906.52 Butterfat differentials to handlers.

If the average butterfat content of the milk of any handler allocated to any class pursuant to § 906.46 is more or less than 4.0 percent, there shall be added to the respective class price, computed pursuant to § 906.51, for each one-tenth of 1 percent that the average butterfat content of such milk is above 4.0 percent or subtracted for each one-tenth of 1 percent that such average butterfat content is below 4.0 percent an amount equal to the butterfat differential computed by multiplying the simple average, as computed by the market administrator, of the daily wholesale selling price per pound (using the midpoint of any price range as one price) of Grade A (92-score) bulk creamery butter at Chicago as reported by the Department during the month specified below by the applicable factor listed and dividing the result by 10:

(a) *Class I milk.* Multiply such price for the preceding month by 1.25; and

(b) *Class II milk.* Multiply such price for the current month by 1.15.

§ 906.53 Location adjustment credit to handlers.

For that portion of milk which is (a) received directly from producers at a pool plant located 50 or more miles from the City Hall in Oklahoma City by the shortest hard-surfaced highway distance as determined by the market administrator, and (b) is classified as Class I milk, the prices specified in § 906.51 shall be subject to a location adjustment credit to the handler computed as follows:

Distance from the City Hall in Oklahoma City:	*Cents per hundredweight*
50 to 150 miles	10
150.1 to 165 miles	12
165.1 to 180 miles	14
180.1 to 195 miles	16
195.1 to 210 miles	18
210.1 to 225 miles	20
225.1 to 240 miles	22

Plus 1 cent for each additional 15 miles or fraction thereof in excess of 240 miles: *Provided,* That for the purpose of calculating such adjustment, transfers to a pool plant at which no location adjustment credit is applicable or at which the location adjustment credit is less than at the transferor plant, shall be assigned to Class I milk in a volume not in excess of that by which 105 percent of Class I disposition at the transferee plant exceeds the receipts from producers at such plant. Such assignment to transferor plants is to be made first to plants at which no adjustment credit is applicable and then in the sequence at which the lowest location adjustment credit would apply.

§ 906.54 Equivalent prices.

If, for any reason, a price quotation required by this part for computing class prices or for any other purpose is not available in the manner described, the market administrator shall use a price determined by the Secretary to be equivalent to the price which is required.

§ 906.55 Rate of compensatory payment.

The rate of compensatory payment per hundredweight applicable to other source milk assigned to Class I use at pool plants or disposed of as Class I milk on routes in the marketing area from nonpool plants shall be calculated by subtracting the Class II price adjusted by the Class II butterfat differential from the Class I price adjusted by the Class I butterfat differential and, except in the case of condensed skim milk and nonfat dry milk by the location adjustment pursuant to § 906.53 which would apply if the nonpool plant were a pool plant: *Provided,* That in any month in which total receipts of producer milk by all handlers are less than 110 percent of the Class I utilization of all handlers, the rate of compensatory payment shall be zero.

APPLICATION OF PROVISIONS

§ 906.60 Producer-handlers.

Sections 906.40 through 906.46, 906.50 through 906.53, 906.65, 906.66, 906.70 through 906.73, and 906.80 through 906.89, shall not apply to a producer-handler.

§ 906.61 Handlers subject to other orders.

In the case of any handler who the Secretary determines disposes of a greater portion of his milk as Class I milk in another marketing area regulated by another milk marketing agreement or order issued pursuant to the Act and whose milk is classified and priced under such other order, the provisions of this part shall not apply except that the handler shall, with respect to his total receipts of skim milk and butterfat, make reports to the market administrator at such time and in such manner as the market administrator may require and allow verification of such reports by the market administrator.

§ 906.62 Handlers operating nonpool plants.

Each handler who is the operator of a nonpool plant which is not subject to the classification and pricing provisions of another order issued pursuant to the Act shall report as required pursuant to §§ 906.30 and 906.31 reporting receipts from dairy farmers in lieu of such information with respect to producers and shall allow verification of such reports, and on or before the 12th day of each month he shall pay to the market administrator an amount computed by multiplying the total volume of Class I milk disposed of on routes in the marketing area from such nonpool plant during the preceding month by the rate of compensatory payment computed pursuant to § 906.55.

DETERMINATION OF BASE

§ 906.65 Computation of daily average base for each producer.

For the months of March through June 1960 the market administrator shall compute a daily average base for each producer as follows, subject to the rules set forth in § 906.66:

Divide the total pounds of milk received by a handler(s) from such producer during the months of September through December 1959 by the number of days, not to be less than 90 of such producer's delivery during such period: *Provided,* That in the case of persons who become producers because the plant to which they deliver their milk becomes a pool plant on the effective date of this order, the market administrator shall compute a base by dividing the total pounds of milk received at such plant from such persons during the months of September through December 1959, by the number of days, not to be less than 90, of such person's delivery in such period.

§ 906.66 Base rules.

(a) A base shall apply to deliveries of milk by the producer for whose account that milk was delivered during the base-forming period;

(b) Bases may be transferred only during the period of March through June 1960, by notifying the market administrator in writing before the last day of any month that such base is to be transferred to the person named in such notice only as follows:

(1) In the event of the death, retirement, or entry into military service of a producer the entire base may be transferred to a member(s) of such producer's immediate family who carries on the dairy operations.

(2) If a base is held jointly and such joint holding is terminated, the entire base may be transferred to one of the joint holders.

(c) A producer who ceases to deliver milk to a handler for more than 45 consecutive days during the months of January through June shall forfeit his base.

DETERMINATION OF UNIFORM PRICES

§ 906.70 Computation of value of milk.

The value of milk received during each month by each handler from producers shall be the total of the sums of money computed for each accounting period within the month by the market administrator as follows:

(a) *Handlers who receive milk from producers.* (1) Multiply the pounds of such milk in each class by the applicable respective class prices (adjusted pursuant to §§ 906.52 and 906.53) and add together the resulting amounts;

(2) Add an amount computed by multiplying the pounds of any overage deducted from each class pursuant to § 906.46(a)(9) and the corresponding step of § 906.46(b) by the applicable class price(s); and

(3) Add any charges computed as follows:

(i) For any skim milk or butterfat in inventory reclassified pursuant to § 906.43(b) which is not in excess of the quantity in producer milk classified as Class II milk (other than as shrinkage) in the handler's plant(s) for the preceding month, a charge shall be computed at the difference between its value at the Class I price for the current month and its value at the Class II price of the preceding month;

(ii) For any other skim milk or butterfat reclassified pursuant to § 906.43(b) a charge shall be computed at the difference between its value at the Class I price for the current month and its value at the Class II price for the month in which previously classified as Class II milk;

(iii) For any skim milk or butterfat subtracted from Class I pursuant to § 906.46(a) (2), (3) and (4) and the corresponding steps of § 906.46(b) multiply the pounds of milk so subtracted by the rate of compensatory payment as determined pursuant to § 906.55.

(b) *Handlers who operate pool plants but who receive no milk from producers.* (1) If any overage has been deducted pursuant to § 906.46(a) (9) or the corresponding step of § 906.46(b), multiply such amount by the applicable class price; and

(2) If any skim milk or butterfat has been subtracted from Class I pursuant to § 906.46(a) (2), (3) and (4) and the corresponding steps of § 906.46(b) multiply the pounds of milk so subtracted by the rate of compensatory payment as determined pursuant to § 906.55 and add such value to that computed pursuant to subparagraph (1) of this paragraph.

§ 906.71 Computation of aggregate value used to determine price(s).

For each month, the market administrator shall compute an aggregate value from which to determine the uniform price(s) per hundredweight for milk of 4.0 percent butterfat content received from producers as follows:

(a) Combine into one total the values computed pursuant to § 906.70 for all handlers who made the reports prescribed in § 906.30 and who made the payments pursuant to §§ 906.80 and 906.84 for the preceding month.

(b) Add the aggregate of the values of all allowable location adjustments to producers pursuant to § 906.81.

(c) Add not less than one-half of the cash balance on hand in the producer-settlement fund less the total amount of

the contingent obligations to handlers pursuant to § 906.85.

(d) Subtract if the average butterfat content of the milk included in these computations is greater than 4.0 percent, or add if such average butterfat content is less than 4.0 percent, an amount computed by multiplying the amount by which the average butterfat content of such milk varies from 4.0 percent by the butterfat differential computed pursuant to § 906.82 and multiplying the resulting figure by the total hundredweight of such milk.

§ 906.72 Computation of uniform price.

For each month, except the months of March through June 1960, the market administrator shall compute the uniform price per hundredweight for all milk of 4 percent butterfat content received from producers as follows:

(a) Divide the aggregate value computed pursuant to § 906.71 by the total hundredweight of milk included in such computation; and

(b) Subtract not less than 4 cents nor more than 5 cents.

§ 906.73 Computation of uniform prices for base milk and excess milk.

For each of the months of March through June 1960, the market administrator shall compute the uniform prices per hundredweight for base and excess milk, each of 4 percent butterfat content as follows:

(a) Compute the total value on a 4.0 percent butterfat basis of excess milk included in these computations by multiplying the hundredweight of such milk not in excess of the total quantity of Class II milk included in these computations by the price for Class II milk of 4.0 percent butterfat content, multiplying the hundredweight of such milk in excess of the total hundredweight of such Class II milk by the price for Class I milk of 4.0 percent butterfat content, and adding together the resulting amounts;

(b) Divide the total value of excess milk obtained in paragraph (a) of this section by the total hundredweight of such milk, and adjust to the nearest cent. The resulting figure shall be the uniform price for excess milk of 4.0 percent butterfat received from producers;

(c) Subtract the value of excess milk obtained in paragraph (a) of this section from the aggregate value of milk computed pursuant to § 906.71 and adjust by any amount involved in adjusting the uniform price of excess milk to the nearest cent;

(d) Divide the amount obtained in paragraph (c) of this section by the total hundredweight of base milk included in these computations; and

(e) Subtract not less than 4 cents nor more than 5 cents from the amount computed pursuant to paragraph (d) of this section. The resulting figure shall be the uniform price for base milk of 4.0 percent butterfat received from producers.

PAYMENTS

§ 906.80 Time and method of payment.

Each handler shall make payment as follows:

(a) On or before the 15th day after the end of the month during which the milk was received, to each producer to whom payment is not made pursuant to paragraph (c) of this section, at not less than the applicable uniform price(s) for such month computed pursuant to §§ 906.72 and 906.73, adjusted by the butterfat differential computed pursuant to § 906.82, subject to location adjustments to producers pursuant to § 906.81, and less the amount of the payment made pursuant to paragraph (b) of this section: *Provided,* That if by such date such handler has not received full payment pursuant to § 906.85, he may reduce his total payments to all producers uniformly by not more than the amount of reduction in payment from the market administrator; he shall, however, complete such payments pursuant to this paragraph not later than the date for making such payments next following receipt of the balance from the market administrator;

(b) On or before the last day of each month, to each producer for whom payment is not made pursuant to paragraph (d) of this section for milk received from him during the first 15 days of the month at not less than the Class II price for the preceding month;

(c) To a cooperative association with respect to milk for which the cooperative association is a handler on or before the 10th day of each month for milk which is caused to be delivered to such handler during the preceding month at not less than the value of such milk at the applicable class prices; and

(d) (1) Upon receipt of written request from a cooperative association which the market administrator determines is authorized by its members to collect payment for their milk and receipt of a written promise to reimburse the handler for the amount of any actual loss incurred by him because of any improper claim on the part of the cooperative association, each handler shall,

(i) Pay to the cooperative association on or before the 13th and 27th days of each month in lieu of payments pursuant to paragraphs (a) and (b), respectively of this section, an amount equal to the gross sum due for all milk received from certified members, less amounts owed by each member producer to the handler for supplies purchased from him on prior written order or as evidenced by a delivery ticket signed by the producer,

(ii) Submit to the cooperative association on or before the 10th day of each month written information which shows for each member producer,

(*a*) The total pounds of milk received during the preceding month,

(*b*) The total pounds of butterfat contained in such milk,

(*c*) The number of days on which milk was received,

(*d*) For the months of March through June 1960, the amount of base and excess milk received and

(*e*) The amounts withheld by the handler in payment for supplies sold, and

(iii) Submit to the cooperative association on or before the 25th day of each month, written information which shows for each member producer the total pounds of milk received during the first 15 days of the current month. The foregoing payment and submission of information shall be made with respect to milk of each producer, who the cooperative association certifies is a member, which is received on and after the first day of the calendar month next following the receipt of such certification through the last day of the month next preceding receipt of notice from the cooperative association of a termination of membership or until the original request is rescinded in writing by the association; and

(2) A copy of each such request, promise to reimburse, and certified list of members shall be filed simultaneously with the market administrator by the cooperative and shall be subject to verification at his discretion through audits of the records of the cooperative association pertaining thereto. Exceptions, if any, to the accuracy of such certification by a producer claimed to be a member or by a handler shall be made by written notice to the market administrator and shall be subject to his determination.

§ 906.81 Location adjustment to producers.

In making payments to producers pursuant to § 906.80 each handler may deduct for each hundredweight of milk (except that during the months of March through June 1960, the deduction shall be limited to base milk) received from producers at a pool plant which is located 50 miles or more from the City Hall in Oklahoma City by the shortest hard-surfaced highway distance as determined by the market administrator the applicable amounts set forth below:

Distance from the City Hall in Oklahoma City:	*Cents per hundredweight*
50 to 150 miles	10
150.1 to 165 miles	12
165.1 to 180 miles	14
180.1 to 195 miles	16
195.1 to 210 miles	18
210.1 to 225 miles	20
225.1 to 240 miles	22

Plus 1 cent for each additional 15 miles or fraction thereof in excess of 240 miles.

§ 906.82 Producer butterfat differential.

In making payments pursuant to § 906.80 there shall be added to or subtracted from the uniform price for each one-tenth of 1 percent that the average butterfat content of the milk received from the producer is above or below 4.0 percent, an amount computed by multiplying by 1.2 the simple average, as computed by the market administrator, of the daily wholesale selling prices per pound (using the midpoint of any price range as one price) of Grade A (92-score) bulk creamery butter at Chicago as reported by the Department during the month, dividing the resulting sum by 10, and rounding to the nearest one-tenth of a cent.

§ 906.83 Producer-settlement fund.

The market administrator shall establish and maintain a separate fund known as the "producer-settlement fund", into which he shall deposit all payments

made by handlers pursuant to §§ 906.62, 906.84 and 906.86, and out of which he shall make all payments to handlers pursuant to §§ 906.85 and 906.86, inclusive.

§ 906.84 Payments to the producer-settlement fund.

On or before the 13th day after the end of the month during which the milk was received, each handler including a cooperative association which is a handler, shall pay to the market administrator the amount, if any, by which the value of the milk received by such handler from producers as determined pursuant to § 906.70 is greater than the amount required to be paid producers by such handler pursuant to § 906.80.

§ 906.85 Payment out of the producer-settlement fund.

On or before the 14th day after the end of the month during which the milk was received the market administrator shall pay to each handler, including a cooperative association which is a handler, the amount, if any, by which the value of the milk received by such handler from producers during the month as determined pursuant to § 906.70 is less than the amount required to be paid producers by such handler pursuant to § 906.80: *Provided,* That, if the balance in the producer-settlement fund is insufficient to make all payments pursuant to this paragraph, the market administrator shall reduce uniformly such payments and shall complete such payments as soon as the necessary funds are available.

§ 906.86 Adjustments of accounts.

Whenever audit by the market administrator of any handler's reports, books, records or accounts discloses errors resulting in money due (a) the market administrator from such handler, (b) such handler from the market administrator, or (c) any producer or cooperative association from such handler, the market administrator shall promptly notify such handler of any amount so due and payment thereof shall be made on or before the next date for making payments set forth in the provisions under which such error occurred.

§ 906.87 Marketing services.

(a) Except as set forth in paragraph (b) of this section, each handler, in making payments to producers (other than himself) pursuant to § 906.80 shall deduct 5 cents per hundredweight or such amount not exceeding 5 cents per hundredweight as may be prescribed by the Secretary, and shall pay such deductions to the market administrator on or before the 15th day after the end of each month. Such money shall be used by the market administrator to sample, test, and check the weights of milk received from producers and to provide producers with market information.

(b) In the case of producers for whom a cooperative association is actually performing the services set forth in paragraph (a) of this section, each handler shall make, in lieu of the deductions specified in paragraph (a) of this section such deductions from the payments to be made to such producers as may be authorized by the membership agreement or marketing contract between such cooperative association and such producers and on or before the 15th day after the end of the month pay such deduction to the cooperative association rendering such services, identified by a statement showing for each such producer the information required to be reported to the market administrator pursuant to § 906.31. In lieu of such statement a handler may authorize the market administrator to furnish such cooperative association the information with respect to such producers reported pursuant to § 906.31.

§ 906.88 Expense of administration.

As his pro rata share of the expense of administration of this subpart each handler (a) who operates a pool plant(s) shall pay to the market administrator on or before the 15th day after the end of the month, 4 cents per hundredweight, or such amount not exceeding 4 cents per hundredweight as the Secretary may prescribe, with respect to all receipts within the month of (1) other source milk which is classified as Class I milk, and (2) milk from producers including such handler's own production: *Provided,* That with respect to payments pursuant to (1) and (2) of this paragraph, for each handler using two accounting periods in a month, the rate of payment shall be twice the rate for monthly accounting periods, or such lesser rate as the Secretary may determine is demonstrated as appropriate in terms of the particular costs of administering the additional accounting period, and (b) each handler who operates a nonpool plant not subject to the classification and pricing provisions of another order issued pursuant to the Act shall make such payments only with respect to Class I milk disposed of on routes within the marketing area.

§ 906.89 Termination of obligation.

The provisions of this section shall apply to any obligation under this part for the payment of money.

(a) The obligation of any handler to pay money required to be paid under the terms of this part shall, except as provided in paragraphs (b) and (c) of this section, terminate two years after the last day of the calendar month during which the market administrator receives the handler's utilization report on the milk involved in such obligation unless within such two-year period the market administrator notifies the handler in writing that such money is due and payable. Service of such notice shall be complete upon mailing to the handler's last known address, and it shall contain but need not be limited to, the following information:

(1) The amount of the obligation;

(2) The month(s) during which the milk with respect to which the obligation exists, was received or handled; and

(3) If the obligation is payable to one or more producers or to an association of producers, the name of such producer(s) or association of producers, or if the obligation is payable to the market administrator, the account for which it is to be paid.

(b) If a handler fails or refuses, with respect to any obligation under this part, to make available to the market administrator or his representatives all books and records required by this subpart to be made available, the market administrator may, within the two-year period provided for in paragraph (a) of this section, notify the handler in writing of such failure or refusal. If the market administrator so notifies a handler, the said two-year period with respect to such obligation shall not begin to run until the first day of the calendar month following the month during which all such books and records pertaining to such obligation are made available to the market administrator or his representatives.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section, a handler's obligation under this subpart to pay money shall not be terminated with respect to any transaction involving fraud or willful concealment of a fact, material to the obligation, on the part of the handler against whom the obligation is sought to be imposed.

(d) Any obligation on the part of the market administrator to pay a handler any money which such handler claims to be due him under the terms of this part shall terminate two years after the end of the calendar month during which the milk involved in the claim was received if an underpayment is claimed, or two years after the end of the calendar month during which the payment (including deduction or set-off by the market administrator) was made by the handler if a refund on such payment is claimed, unless such handler, within the applicable period of time, files pursuant to section 8c(15)(A) of the Act, a petition claiming such money.

EFFECTIVE TIME, SUSPENSION OR TERMINATION

§ 906.90 Effective time.

The provisions of this part or any amendment to this subpart shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated pursuant to § 906.91.

§ 906.91 Suspension or termination.

The Secretary may suspend or terminate this part or any provision of this part whenever he finds this part or any provision of this part obstructs or does not tend to effectuate the declared policy of the Act. This part shall terminate in any event whenever the provisions of the Act authorizing it cease to be in effect.

§ 906.92 Continuing obligations.

If, upon the suspension or termination of any or all provisions of this part there are any obligations thereunder, the final accrual or ascertainment of which requires further acts by any person (including the market administrator), such further acts shall be performed notwithstanding such suspension or termination.

§ 906.93 Liquidation.

Upon the suspension or termination of the provisions of this part, except this section, the market administrator, or

such other liquidating agent as the Secretary may designate, shall if so directed by the Secretary, liquidate the business of the market administrator's office, dispose of all property in his possession or control, including accounts receivable, and execute and deliver all assignments or other instruments necessary or appropriate to effectuate any such disposition. If a liquidating agent is so designated, all assets, books and records of the market administrator shall be transferred promptly to such liquidating agent. If, upon such liquidation, the funds on hand exceed the amounts required to pay outstanding obligations of the office of the market administrator and to pay necessary expenses of liquidation and distribution, such excess shall be distributed to contributing handlers and producers in an equitable manner.

MISCELLANEOUS PROVISIONS

§ 906.100 Agents.

The Secretary may, by designation in writing, name any officer or employee of the United States to act as his agent or representative in connection with any of the provisions of this part.

§ 906.101 Separability of provisions.

If any provision of this part, or its application to any person or circumstances, is held invalid, the application of such provision and of the remaining provisions of this part, to other persons or circumstances shall not be affected thereby.

[F.R. Doc. 60-3480; Filed, Apr. 15, 1960; 8:48 a.m.]

[7 CFR Part 995]

[Docket No. AO-197-A6]

MILK IN NORTH CENTRAL OHIO MARKETING AREA

Decision on Proposed Amendments to Tentative Marketing Agreement and to Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held at Mansfield, Ohio, on March 29, 1960, pursuant to notice thereof issued on March 9, 1960 (25 F.R. 2106).

The material issues of the record of the hearing related to:

1. The supply-demand adjustment of the Class I price;
2. The Class II milk price and the need for emergency action with respect thereto;
3. The rules for regulation of plants doing business in other marketing areas;
4. The quota forming months;
5. Expansion of the marketing area; and
6. The shrinkage allowance on bulk tank deliveries.

This decision treats only the issue with respect to the Class II milk price and the need for emergency action. All other issues of the hearing will be considered in a future decision.

Findings and conclusions. The following findings and conclusions on the material issues are based on evidence presented at the hearing and the record thereof:

1. *The Class II price.* The Class II milk price should be the same as the Class III milk price under the Northeastern Ohio order during all months of the year.

At present the average paying price of five Ohio manufacturing plants determines the Class II price during the months of March through June. For other months of the year the higher of this local plant price or the Class III milk price of Order 75 for the Northeastern Ohio market is the Class II price. The Order 75 Class III price is the basic formula price of that order, the higher of the mid-west condensery price or a butter-powder formula price.

The posted paying prices of the local plants do not represent their actual cost of ungraded milk purchased for manufacturing use. Such plants pay substantial additional amounts to producer for use of cooling equipment, for volume of production or for acceptable quality. As a result the local plant price in 1958 and 1959 became the Class II milk price only in those months for which the Order 75 Class III price was not an alternative floor price.

In the months of March through June 1958 the Order 75 Class III price exceeded the local plant price by an average of 15 cents. In the same months of 1959 the difference averaged 12 cents. These amounts are less than the quantity and quality bonuses paid by local manufacturing plants.

Producers proposed that the Order 75 Class III or basic formula price be the Class II price in all months. A similar pricing provision is being provided for the Toledo market on the basis of a recent public hearing. There is a substantial intermingling of Northeastern Ohio, North Central Ohio and Toledo producers in the North Central Ohio production area. There is a substantial diversion of Northeastern Ohio milk for manufacturing purposes to a North Central Ohio plant with manufacturing facilities. Milk priced under all three orders may well be manufactured into identical products in nonpool plants to which it may be transferred or diverted. In view of these circumstances the same price should prevail. It is concluded that the Order 75 Class III price should be the Order 95 Class II price in all months.

2. *Need for emergency action.* The due and timely execution of the function of the Secretary under the Act imperatively and unavoidably requires the omission of a recommended decision by the Deputy Administrator, Agricultural Marketing Service, and the opportunity for exceptions thereto on the above issue.

The effective period of the amendment provided by this issue is restricted to the months of March through June. Orderly marketing of milk in the area makes it imperative that the amendment be effective for the month of May 1960. Delay beyond the minimum time necessary to make such order effective would defeat the purpose of such amendment. Accordingly the time necessarily involved in the preparation, filing and publication of a recommended decision, and exceptions thereto, would make such relief ineffective.

Rulings on proposed findings and conclusions. Briefs and proposed findings and conclusions were filed on behalf of certain interested parties in the market. These briefs, proposed findings and conclusions and the evidence in the record were considered in making the findings and conclusions set forth above. To the extent that the suggested findings and conclusions filed by interested parties are inconsistent with the findings and conclusions set forth herein, the requests to make such findings or reach such conclusions are denied for the reasons previously stated in this decision.

General findings. (a) The tentative marketing agreement and the order as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(b) The parity prices of milk, as determined pursuant to section 2 of the Act, are not reasonable in view of the prices of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as hereby proposed to be amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The tentative marketing agreement and the order, as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

Marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled respectively, "Marketing Agreement Regulating the Handling of Milk in the North Central Ohio Marketing Area" and "Order Amending the Order, Regulating the Handling of Milk in the North Central Ohio Marketing Area", which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions.

It is hereby ordered, That all of this decision, except the attached marketing agreement, be published in the FEDERAL REGISTER. The regulatory provisions of said marketing agreement are identical with those contained in the order, as hereby proposed to be amended by the attached order which will be published with this decision.

Determination of representative period. The month of February 1960 is hereby determined to be the representative period for the purpose of ascertaining whether the issuance of the attached order amending the order, regulating the handling of milk in the North Central

Ohio marketing area, is approved or favored by producers, as defined under the terms of the order, as hereby proposed to be amended, and who, during such representative period, were engaged in the production of milk for sale within the aforesaid marketing area.

Issued at Washington, D.C., this 12th day of April 1960.

CLARENCE L. MILLER,
Assistant Secretary.

Order[1] Amending the Order Regulating the Handling of Milk in the North Central Ohio Marketing Area

§ 995.0 Findings and determinations.

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 *et seq.*), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk in the North Central Ohio marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(2) The parity prices of milk, as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the said marketing area, and the minimum prices specified in the order as hereby amended are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, a marketing agreement upon which a hearing has been held.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof the handling of milk in the North Central Ohio marketing area shall be in conformity to and in compliance with the terms and conditions of the order, as hereby amended.

1. Delete § 995.51 and substitute therefor the following:

§ 995.51 Class II milk price.

Subject to the provisions of § 995.52, the minimum price per hundredweight to be paid by each handler for producer milk of 3.5 percent butterfat content at his pool plant(s) during the month which is classified as Class II milk shall be the Class III minimum price for milk of 3.5 percent butterfat content for the month, as determined pursuant to the order, as amended, regulating the handling of milk in the Northeastern Ohio marketing area (Order No. 75; Part 975 of this chapter).

[F.R. Doc. 60-3481; Filed, Apr. 15, 1960; 8:48 a.m.]

[1] This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

Commodity Stabilization Service

[7 CFR Part 718]

DETERMINATION OF ACREAGE AND PERFORMANCE

Methods of Measurement

Pursuant to the authority contained in sections 374 and 375 of the Agricultural Adjustment Act of 1938, section 401 of the Agricultural Act of 1949, section 403 of the Sugar Act of 1948, and section 124 of the Soil Bank Act, it is proposed to amend the regulations governing the determination of acreage and compliance with the provisions of the programs carried out under the above-mentioned acts as follows:

Section 718.5 (e) and (g)(1) would be amended to read as follows:

§ 718.5 Methods of measurement.

* * * * *

(e) *Effect of planting pattern on determination of acreage*—(1) *General.* In determining the acreage of any row crop, measurements shall extend beyond the planted area to a point equal to one-half the distance between the rows. All acreage determinations made in accordance with this paragraph (e) are subject to the deductions and adjustment credit prescribed in paragraphs (g) and (h) of this § 718.5. When an allotment row crop other than tobacco and another allotment row crop or an allotment row crop and a competitive row crop are planted in alternate rows or in strips of two or more rows, the acreage shall be considered as intertilled. For the purpose of determining the acreage of tobacco, other intertilled crops shall not be considered competitive with tobacco and the intertilled provisions of this paragraph (e) shall not apply. When an allotment row crop is planted in alternate rows or strips with non-competitive crops or in alternate rows or strips with idle or fallow land, the acreage shall be considered as fallow-stripped. In the application of the provisions of this paragraph (e), deviations from prescribed row width requirements attributable to variations which are normal to the operation of mechanical equipment shall not serve to disqualify a planting pattern or a deductible strip.

(2) *Block or solid planted allotment row crops.* When an allotment row crop is planted in a continuous area and intertilled or fallow-stripped planting is not involved, the acreage of such crop shall be the area devoted to the crop.

(3) *Close-seeded allotment crops.* The acreage of close-seeded allotment crops shall be the acreage in the area devoted to the crop.

(4) *Non-allotment soil bank base crops and other land uses.* The acreage of non-allotment soil bank base crops or other land uses shall be the acreage in the area devoted to the crops or land use except that when non-allotment soil bank base crops are planted in alternate rows, alternate strips, or fallow strips with idle or fallow land or non-soil bank base crops, the entire area shall be considered as planted to the soil bank base crop(s) unless the area composed of idle or fallow land or non-soil bank base crops is as wide as four normal rows of the soil bank base crop(s). If the area composed of idle or fallow land or non-soil bank base crop(s) is as wide as four normal rows of the soil bank base crop(s), only the land actually occupied by the soil bank base crop(s) shall be considered as planted to soil bank base crop(s). Where allotment crops are intertilled or fallow-stripped with non-allotment soil bank base crops and the entire area is considered as planted to allotment crops, the acreage shall be counted only once in determining the acreage of soil bank base crops.

(5) *Intertilled allotment row crops other than tobacco*—(i) *Intertilled alternate rows.* Acreages of crops intertilled in alternate rows shall be determined as follows:

(*a*) *Normal rows.* If the distance between each row of the crops planted is not less than the normal row width for the allotment crop (the wider normal row if two allotment crops are involved), only the land actually occupied by the allotment crop shall be considered as planted to the allotment crop.

(*b*) *Less than normal rows.* If the distance between the rows of the crops planted is less than the normal row width for the allotment crop, the entire intertilled area shall be considered as planted to the allotment crop.

(ii) *Intertilled alternate strips.* Acreages of crops intertilled in alternate strips shall be determined as follows:

(*a*) *Less than one normal row.* If the distance between the strips of the allotment crop is less than one normal row width, the entire area shall be considered as planted to the allotment crop.

(*b*) *Less than four normal rows.* If the distance between the strips of the allotment crop is as wide as one but less than four normal rows of the allotment crop, the acreage of the allotment crop shall be the total acreage in the area less the acreage actually occupied by any competitive crop.

(*c*) *Four normal rows or more.* If the distance between the strips of the allotment crop is as wide as or wider than four normal rows of the allotment crop, only the area occupied by the allotment crop shall be considered as planted to the allotment crop.

(6) *Fallow-stripped allotment row crops including tobacco.* Acreages of fallow-stripped row crops, including tobacco, shall be determined as follows:

(i) *Less than four normal rows.* If the strips of idle land, fallow land, noncompetitive crop(s), or a combination thereof are not as wide as four normal rows of the allotment crop, the entire area shall be considered as planted to the allotment crop.

(ii) *Four normal rows or more.* If the strips of idle land, fallow land, noncompetitive crop(s), or a combination thereof are at least as wide as four normal rows of the allotment crop, only the land actually occupied by the allotment crop shall be considered as planted to the allotment crop, except that individual strips which are not as wide as four normal rows shall be considered as planted to the allotment crop.

* * * * *

(g) *Deductions*—(1) *General.* In determining the acreage of any field or subdivision, a deduction shall be made for any continuous area not devoted to the crop or land use being determined if it contains three-hundredths (0.03) acre or more and is not less than (i) the smaller of four links or one row in width in case of a deduction around the perimeter of the field or (ii) one row in width in case of a deduction within the planted area, except that a deduction shall not be made under this provision for intertilled plantings, fallow-strip arrangements, or unplanted strips, utilized for dusting, irrigating, harvesting, or similar cultural operations, which do not qualify under paragraph (e) of this section. The deductions specified herein are minimum deductions and are subject to the provisions of § 718.15.

The proposed amendment would become effective beginning with the determination of acreages for crops planted for harvest in 1961. No allotment or history acreage for any allotment crop or any soil bank base, which was established on the basis of acreages determined prior to the effectiveness of this amendment, would be adjusted because of the amendment.

Prior to issuing this amendment, consideration will be given to data, views, and recommendations pertaining thereto which are submitted in writing to the Director, Performance Division, Commodity Stabilization Service, United States Department of Agriculture, Washington 25, D.C. All written submissions must be postmarked not later than 15 days after the date of publication of this notice in the FEDERAL REGISTER in order to be considered.

Issued at Washington, D.C., this 12th day of April 1960.

CLARENCE D. PALMBY,
Acting Administrator,
Commodity Stabilization Service.

[F.R. Doc. 60-3489; Filed, Apr. 15, 1960; 8:49 a.m.]

CIVIL AERONAUTICS BOARD

[Economic Regs., Docket No. 11285]

[14 CFR Part 298]

CLASSIFICATION AND EXEMPTION OF AIR TAXI OPERATORS

Notice of Proposed Rule Making

APRIL 12, 1960.

Notice is hereby given that the Civil Aeronautics Board has under consideration a proposed amendment of Part 298 of its Economic Regulations to extend the operating authority of air taxi operators for a period of another five years.

This exemption and the limitations pertaining thereto are proposed under the authority of sections 204(a), 411 and 416 of the Federal Aviation Act of 1958 (72 Stat. 743, 769, and 771; 49 U.S.C. 1324, 1381, and 1386).

Interested persons may participate in the proposed rule making through submission of ten (10) copies of written data, views or arguments pertaining thereto, addressed to the Docket Section, Civil Aeronautics Board, Washington 25, D.C. All relevant matter in communications received on or before May 9, 1960, will be considered by the Board before taking final action on the proposed rule. Copies of such communications will be available on or after May 10, 1960 for examination by interested persons in the Docket Section of the Board, Room 711, Universal Building, 1825 Connecticut Avenue NW., Washington, D.C.

By the Civil Aeronautics Board.

[SEAL] MABEL MCCART,
Acting Secretary.

Explanatory statement. Under Part 298 of the Economic Regulations the Board has established a classification of direct air carriers known as air taxi operators which is limited to carriers utilizing aircraft having a maximum certificated take-off weight not exceeding 12,500 pounds. Under the provisions of Part 298 these carriers have been exempted from certain provisions of Title IV of the Act, and Part 298 will expire on June 1, 1960, unless extended. As initially adopted in 1952, Part 298 was effective for a period of three years. Subsequently, the exemption was twice extended. The last extension was for a period of approximately five years.

Air taxi operators appear to be serving a useful purpose in providing service to off-route points and generally in making available a particularized service. Consequently, it appears reasonable to propose herein (at § 298.4) a five-year extension of the current exemption.

Other provisions of Part 298 have been retained intact aside from certain minor modifications mostly of an editorial nature. For purposes of convenience and clarity, it is proposed to reissue Part 298 at this time with all prior amendments consolidated. It is hence proposed to amend Part 298 of the Economic Regulations (14 CFR Part 298) to read in its entirety as follows:

Sec.

§ 298.0 Applicability of part.

This part establishes a classification of air carriers know as "air taxi operators," provides certain exemptions from Title IV of the Federal Aviation Act of 1958, as amended, for such carriers, and establishes rules and regulations applicable to their operations.

§ 298.1 Definitions.

As used in this part:

"Act" means the Federal Aviation Act of 1958, as amended.

"Air taxi operator" means an air carrier coming within the classification of "air taxi operators" established by § 298.2.

"Maximum certificated take-off weight" means the maximum take-off weight authorized by the terms of the aircraft airworthiness certificate. (This figure is found in the airplane operating record or the airplane flight manual which is incorporated by regulation into the airworthiness certificate.)

"Point" when used in connection with any territory or possession of the United States, or the State of Hawaii, means any airport or place where aircraft may be landed or taken off, including the area within a 25-mile radius of such airport or place; when used in connection with the continental United States, it shall have a similar meaning but shall be limited to the area within a 3-mile radius of such airport or place.

§ 298.2 Classification.

(a) There is hereby established a classification of air carriers, designated "air taxi operators," which engage in the direct air transportation of passengers and/or property and which:

(1) Do not utilize in such air transportation any aircraft having a maximum certificated take-off-weight of more than 12,500 pounds; and

(2) Do not hold a certificate of public convenience and necessity or other economic authority issued by the Board.

(b) An air taxi operator who does not observe the conditions set forth in paragraph (a) of this section shall not be considered an air taxi operator with respect to any operations conducted by him while such conditions are not being observed, and during such periods is not entitled to any of the exemptions set forth in this part.

§ 298.3 Extent of exemption.

Except as otherwise provided in this part,[1] each air taxi operator shall, to the extent necessary to permit operations authorized by § 298.7, be temporarily exempt from the following provisions of Title IV of the Act:

(a) Subsection 401(a);
(b) Section 403;
(c) Subsection 404(a); *Provided,* That air taxi operators shall abide by those provisions of this subsection which require air carriers to provide safe service, equipment and facilities in connection with air transportation;
(d) Subsection 404(b);
(e) Subsection 405(b);
(f) Subsections 407(b), (c), (d);
(g) Section 408;
(h) Subsection 409(a); and
(i) Section 412.

§ 298.4 Duration of exemption.

The temporary exemption from any provision of Title IV of the Act provided by § 298.3 shall continue in effect only until such time as the Board shall find that enforcement of such provision would be in the public interest or would no longer be a burden on air taxi operators; *Provided,* That upon such a finding as to any air taxi operator or class of air taxi operators, such exemption shall to that extent terminate with respect to such operator or class of operators; *And provided further,* That unless otherwise ordered by the Board the temporary exemption granted by § 298.3 shall terminate on June 1, 1965.

§ 298.5 Approval of certain interlocking relationships.

To the extent that any officer or director of an air taxi operator would, without prior approval ofthe Board, be in violation of any provision of subsection 409(a) of the Act, by reason of any interlocking relationship directly involving such air taxi operator, such relationship is hereby approved; *Provided,* That nothing in this part shall be construed as approving any interlocking relationship with any air carrier of another class, which relationship is subject to subsection 409(a) of the Act.

§ 298.6 Effect of exemption on anti-trust laws.

The temporary exemption granted in § 298.3 from sections 408, 409(a), and 412 shall not constitute an order made under such sections, within the meaning of section 414, and shall not confer any immunity or relief from operation of the "anti-trust laws," or any other statute (except the Federal Aviation Act of 1958, as amended) with respect to any transaction, interlocking relationship, or agreement otherwise within the purview of such sections.

§ 298.7 Scope of service authorized.

(a) Except as prohibited by paragraphs (b), (c), and (d) of this section, an air taxi operator is hereby authorized to engage in any direct air transportation of persons or property in aircraft having a maximum certificated take-off weight of 12,500 pounds or less.

(b) Within the territories or possessions of the United States, within the State of Hawaii, or between any two points between which scheduled helicopter passenger service is provided by the holder of a helicopter certificate of public convenience and necessity either in accordance with such certificate or by exemption order of the Board, no air taxi operator shall, except as specifically authorized by the Board, operate or hold out to the public expressly or by course of conduct that it operates therein, one or more aircraft between designated points or within a designated point, regularly or with a reasonable degree of regularity, upon which aircraft it accepts for transportation, for compensation or hire, such members of the public as apply therefor or such property as the public offers. Service shall be deemed to be regular within the meaning of this paragraph unless it is of such infrequency as to preclude an implication of a uniform pattern or normal consistency of operation between, or within, such designated points.

(c) No service shall be offered or performed by an air taxi operator within Alaska (see Part 293 of this chapter for authorization of air taxi service in Alaska).

(d) No service by helicopter shall be offered or performed by an air taxi operator between any two points between which scheduled helicopter service is provided by the holder of a certificate of public convenience and necessity authorizing such service.

§ 298.8 Requests for statement of authority.

In any instance where an air taxi operator is required by a foreign government to produce evidence of its authority to engage in foreign air transportation under the laws of the United States, the Secretary of the Board will, upon request, furnish the carrier with a written statement, outlining its general operating privileges under this part for presentation to the proper authorities of the foreign government.

§ 298.9 Business name of air carrier.

It shall be an express condition upon the operating authority granted by this part that the air carrier concerned, in holding out to the public and in performing air transportation services, shall do so only in a name the use of which is authorized under the provisions of this section.

(a) Except as otherwise provided under paragraph (b) of this section, an air carrier may do business in the name in which its air carrier operating certificate is then issued and outstanding, including abbreviations, contractions, initial letters, or other minor variations of such name which are readily identifiable therewith.

(b) An air carrier may do business in such other and different name or names as the Board may by order permit, upon a finding that the use of such other name or names is not contrary to the public interest. Any such permission may be made conditional upon the abandonment of the use of the name in which its air carrier operating certificate is issued and outstanding in air transportation service by the air carrier concerned, or otherwise be made subject to such reasonable terms and conditions as the Board may find necessary to protect the public interest.

(c) Slogans shall not be considered names for the purposes of this section, and their use is not restricted hereby.

(d) Neither the provisions of this section nor the grant of a permission hereunder shall be deemed to constitute a finding for purposes other than for this section, or to effect a waiver of, or exemption from, any provisions of the Act, or any orders, rules, or regulations issued thereunder.

§ 298.10 Enforcement.

Any violation of the provisions of the Act, or any rule, regulation, or order issued thereunder, may subject the violator to a proceeding pursuant to sections 1002 or 1007 before the Board or a United States District Court, respectively, to compel compliance therewith, or, in the case of a willful violation, to criminal penalties pursuant to the provisions of § 902(a) of the Act.[2]

[F.R. Doc. 60-3492; Filed, Apr. 15, 1960; 8:49 a.m.]

FEDERAL AVIATION AGENCY

[14 CFR Parts 600, 601]

[Airspace Docket No. 60-FW-17]

FEDERAL AIRWAYS AND CONTROL AREAS

Modification

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to §§ 600.6017 and 601.6017 of the regulations of the Administrator, the substance of which is stated below.

VOR Federal airway No. 17 presently extends, in part, from San Antonio, Tex., to Austin, Tex., including a west alternate. The Federal Aviation Agency has under consideration modification of this segment of Victor 17 by designating an east alternate between San Antonio and Austin via the intersection of the San Antonio VOR 057° and the Austin VOR 198° True radials. This east alternate airway would provide an additional airway which would facilitate the air traffic management of the high volume of air traffic operating between the San Antonio and Austin terminals.

If this action is taken, VOR Federal airway No. 17 east alternate and its as-

[1] See § 298.7 for scope of operations authorized for performance by air taxi operators.

[2] In addition it should be noted that the fact that an air taxi operator or class of air taxi operators are, or have been engaging in practices which constitute a violation of the Act, or rules, regulations or orders issued pursuant thereto, would be an important consideration in determining whether the enforcement of a provision or provisions of the Act, from which § 298.3 exempts such operator, is in the public interest.

sociated control areas would be designated from San Antonio, Tex., to Austin, Tex., via the intersection of the San Antonio VOR 057° and the Austin VOR 198° True radials.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Chief, Air Traffic Management Field Division, Federal Aviation Agency, P.O. Box 1689, Fort Worth 1, Tex. All communications received within forty-five days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Air Traffic Management Field Division Chief, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Air Traffic Management Field Division Chief.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

Issued in Washington, D.C., on April 11, 1960.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 60-3465; Filed, Apr. 15, 1960; 8:45 a.m.]

[14 CFR Parts 600, 601]

[Airspace Docket No. 59-FW-59]

FEDERAL AIRWAYS AND CONTROL AREAS

Withdrawal of Proposal To Modify a Federal Airway and Control Areas

In a notice of proposed rule making published in the FEDERAL REGISTER as Airspace Docket No. 59-FW-59 on January 29, 1960 (25 F.R. 765), it was stated that the Federal Aviation Agency proposed to realign the segment of Victor 454 between Atlanta, Ga., and Athens, Ga., by redesignating it to extend from the McDonough, Ga., VOR to the Athens, Ga., VOR via the intersection of the McDonough VOR 036° and the Athens VOR 241° True radials. Other related airspace actions now under consideration, including realignment of Victor 454 from Evergreen, Ala., to McDonough and renumbering of this airway requires the issuance of a new notice of proposed rule making to adequately describe the proposed action.

In consideration of the foregoing and pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the proposal contained in Airspace Docket No. 59-FW-59 is withdrawn.

Sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

Issued in Washington, D.C., on April 11, 1960.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 60-3466; Filed, Apr. 15, 1960; 8:46 a.m.]

SMALL BUSINESS ADMINISTRATION

[13 CFR Part 121]

SMALL BUSINESS SIZE STANDARDS

Notice of Proposal To Amend Definition of Small Business for Purpose of Government Procurement

Notice is hereby given that the Administrator of the Small Business Administration proposes to amend the definition of small business for the purpose of specific Government procurements reserved for or involving the preferential treatment of small businesses or involving equal bids as contained in the Small Business Size Standards Regulation (Revision 1), as amended (24 F.R. 3491, 5628, 7458, 9329) by adding the requirement that a concern shall be considered a small business for a specific Government contract only if it supplies a domestic product (as defined in the proposed amendment) to the Government.

In addition, it is proposed to amend the definition of Concern to mean a business entity which is organized for profit whose principal place of business is located in the United States.

Interested persons may file with the Administrator on or before May 8, 1960, written statements of facts, opinions or arguments concerning the definition set forth below.

All correspondence on this matter shall be addressed to:

PHILIP MCCALLUM, *Administrator, Small Business Administration, Washington 25, D.C.*

It is proposed to change the definition of small business for the purpose of Government procurement as follows:

The Small Business Size Standard Regulation, (Revision 1), as amended, (24 F.R. 3491, 5628, 7458, 7943, 9329), is hereby further amended by:

1. Deleting § 121.3-2(e) and substituting revised § 121.3-2(e) in lieu thereof, as follows:

(e) "Concern" means any business entity organized for profit whose principal place of business is located in the United States, including, but not limited to, an individual, partnership, corporation, joint venture, association or cooperative.

2. Redesignating § 121.3-2(g) to (k) as paragraphs (h) to (l) and adding new paragraph (g) as follows:

(g) "Domestic product." As used in this section, products (including articles and supplies) shall be considered domestic products if the cost of any foreign materials used in such products does not exceed 50 percent of the cost of all the materials used in such products.

3. Deleting § 121.3-8(a) and substituting in lieu thereof revised § 121.3-8(a) as follows:

(a) *Small Business definitions.* A small business for the purpose of Government procurement is a concern, including its affiliates, which is independently owned and operated, is not dominant in its field of operation, and can further qualify under the following criteria:

4. Deleting § 121.3-8(b) and substituting in lieu thereof, revised § 121.3-8 (b) as follows:

(b) *Requirements for preferential treatment of small businesses*—(1) *Manufacturers.* A bidder or offerer which is a manufacturer, in order to qualify as a small business for Government procurement reserved for or involving the preferential treatment (including equal bids) of small businesses, must qualify under the criteria set forth in paragraph (a) of this section and must furnish a domestic product.

(2) *Non-manufacturers.* A bidder or offerer which is a non-manufacturer, in order to qualify as a small business for Government procurement reserved for or involving the preferential treatment (including equal bids) of small businesses, must qualify under the criteria set forth in paragraph (a) of this section and must furnish a domestic product of a small business manufacturer or producer.

5. Deleting § 121.3-8(d) and substituting in lieu thereof revised § 121.3-8(d) as follows:

(d) *Self-certification for a small business.* In the submission of a bid or proposal on a Government procurement reserved for or involving the preferential treatment (including equal bids) of small businesses, a concern which meets the criteria of paragraphs (a) and (b) (1) or (2) of this section, may represent that it is a small business. In the absence of a written protest, such concern shall be deemed to be a small business for the purpose of the specific Government procurement involved.

PHILIP MCCALLUM,
Administrator.

APRIL 8, 1960.

[F.R. Doc. 60-3476; Filed, Apr. 15, 1960; 8:47 a.m.]

Notices

SECURITIES AND EXCHANGE COMMISSION

[File No. 24NY-4831]

ALCAR INSTRUMENTS, INC.

Order Temporarily Suspending Exemption, Statement of Reasons Therefor, and Notice of Opportunity for Hearing

APRIL 12, 1960.

I. Alcar Instruments, Inc. (issuer), a New Jersey corporation, 17 Industrial Avenue, Little Ferry, New Jersey, filed with the Commission on March 19, 1959, a notification on Form 1–A and an offering circular relating to an offering of 100,000 shares of its 10-cent par value common stock, to be offered at $1.00 per share for an aggregate offering of $100,000 for the purpose of obtaining an exemption from the registration requirements of the Securities Act of 1933, as amended, pursuant to the provisions of section 3(b) thereof and Regulation A promulgated thereunder.

II. The Commission has reasonable cause to believe that:

A. The terms and conditions of Regulation A have not been complied with in that:

1. The notification fails to set forth the full name and complete address of each affiliate of the issuer, as required by Item 2 thereof.

2. The notification fails to set forth the name of the actual counsel for the underwriter as required by Item 4 thereof.

3. The notification fails to set forth information as to unregistered securities of affiliated issuers or of directors, officers, promoters, or principal security holder of the issuer sold within one year prior to the filing of the notification.

4. The notification fails to include all underwriting contracts relating to the securities to be offered as required by Item 11 thereof.

5. The notification fails to disclose a proposed offering of securities by an affiliated issuer as required by Item 10 thereof.

B. The offering circular contains untrue statements of material facts and omits to state material facts necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, particularly with respect to:

1. The failure to adequately and accurately disclose the shareholdings of the selling stockholder.

2. The failure to adequately and accurately disclose the name and address of every underwriter, their relationship to the issuer and the respective amounts of their participation in the offer.

3. The failure to adequately and accurately disclose material interests of officers and directors of the issuer, in the issuer and its affiliates.

4. The failure to adequately and accurately disclose material transactions between officers and directors of the issuer and the issuer and its affiliates.

5. The failure to provide financial statements prepared in accordance with generally accepted accounting principles and practices.

6. The failure to disclose the true aggregate offering price to the public, the underwriting commissions received and the proposed methods of distribution.

C. The offering was made in violation of section 17 of the Securities Act of 1933, as amended.

III. *It is ordered*, Pursuant to Rule 261(a) of the general rules and regulations under the Securities Act of 1933, as amended, that the exemption under Regulation A be, and it hereby is, temporarily suspended.

Notice is hereby given that any person having any interest in the matter may file with the Secretary of the Commission a written request for hearing within thirty days after the entry of this order; that within twenty days after receipt of such request the Commission will, or at any time upon its own motion may, set the matter down for hearing at a place to be designated by the Commission for the purpose of determining whether this order of suspension should be vacated or made permanent, without prejudice, however, to the consideration and presentation of additional matters at the hearing; that if no hearing is requested and none is ordered by the Commission, this order shall become permanent on the thirtieth day after its entry and shall remain in effect unless or until it is modified or vacated by the Commission; and that notice of the time and place for any hearing will be promptly given by the Commission.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F.R. Doc. 60-3474; Filed, Apr. 15, 1960; 8:47 a.m.]

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

[Minneapolis Area Office Redelegation Order 2]

ENGINEERING AND ARCHITECTURAL FIRMS

Redelegations of Authority With Respect to Construction, Supply and Service Contracts and Negotiating Contracts for Services

APRIL 13, 1960.

SECTION 1. *Authority.* The authority delegated to the Area Director by the Commissioner of Indian Affairs in Order No. 566 (19 F.R. 3971), as amended (20 F.R. 2092, 5703; 21 F.R. 2290, 7460, 8219; 23 F.R. 5611; 24 F.R. 8952), pertaining to construction, supply and service contracts and negotiating without advertising, contracts for services of engineering and architectural firms is hereby redelegated as indicated in this order.

SEC. 2. *Assistant Area Director.* The Assistant Area Director may enter into construction, supply and service contracts and negotiate without advertising contracts for services of engineering and architectural firms, irrespective of the amounts involved, and perform the duties of Contracting Officer in regard to such contracts.

SEC. 3. *Authorized representative of Contracting Officer.*

(a) With respect to contracts entered into by the Area Director, the Assistant Area Director is designated as the authorized representative of the Contracting Officer as such term is used in such contracts and may perform the duties of the Contracting Officer except as follows:

(1) Functions relating to the termination of a contract.

(2) Disputes concerning questions of fact which are not disposed of by agreement.

SEC. 4. *Appeals.* An appeal from a finding of fact or decision of a Contracting Officer shall be made by notice of appeal in writing addressed to the Board of Contract Appeals, Office of the Solicitor, Department of the Interior, Washington 25, D.C., and shall be mailed to or filed with the Contracting Officer, within the time allowed by the contract. The notice of appeal shall specify the portion of the findings of fact or decision from which the appeal is taken, and the reason why the findings or decision are deemed erroneous. Immediately upon receipt of the notice of appeal, the Contracting Officer shall inform the Board by airmail that the appeal has been received. (Regulations governing appeals are published in 19 F.R. 9389.)

GLENN L. EMMONS, *Commissioner.*

[F.R. Doc. 60-3482; Filed, Apr. 15, 1960; 8:48 a.m.]

Office of Minerals Exploration

[OME Circular 4]

OME FIELD OFFICERS

Delegation of Authority

APRIL 13, 1960.

1. *Delegation.* Field Officers of the OME are authorized to take the actions specified below with respect to exploration contracts executed under the program of the former DMEA or any exploration contract executed under the act of August 21, 1958.

A. Enter into written amendments of contracts that effect—

(1) Changes in the specifications for or description of the work, in the amount of the work, or in the number of units of work, within the limit of the original scope and purpose of the contract, that do not violate any of the following restrictions:

(a) The maximum amount of the Government's contribution as provided in the contract shall not be increased;

(b) An estimate of requirement or cost provided by an actual-cost contract as a maximum shall not be increased;

(c) A unit cost fixed by a unit-cost contract shall not be increased;

(d) The specification for a unit of work provided by a unit-cost contract shall not be lowered; and

(e) Fixed or agreed unit costs not provided for in the contract shall not be added.

(2) Modification of the time periods allowed for commencement and completion of the work that do not allow an aggregate time for completion of more than two years from the date of the contract;

(3) Additions to (not withdrawals from) the land described in the contract; and

(4) Extensions (not reductions) of the periods for payment of royalty to the Government.

B. Approve in writing contracts between the operator and independent contractors;

C. Take on behalf of the Government any actions provided for in the contract with respect to the performance of work, including the location or spotting of work, the course or direction of work, and the determination of the results of completed work or other contingencies upon which the prosecution of further work is made to depend;

D. Approve vouchers for contribution by the Government to the costs of the work;

E. Approve in writing of the sale and join in the sale for the joint account of the operator and the Government, as provided in the contract, of—

(1) Any facility, building, fixture, or piece of equipment the original cost of which did not exceed $5,000; and

(2) Any group or category (such as pipe, explosives, rails, drill steel) of materials or supplies remaining, the original cost of the remaining portion of which did not exceed $2,500;

F. Waive in writing the Government's interest in any facility, building, fixture, or piece of equipment, or any group or category (such as pipe, explosives, rails, drill steel) of materials or supplies remaining, the original cost of which or of the remaining portion of which did not exceed $1,000; and

G. Take on behalf of the Government any actions with respect to contracts (except the execution), not delegated herein, when authorized in writing, in advance, by the Director, Office of Minerals Exploration.

2. *Redelegation.* The authority delegated in section 1 of this circular may not be redelegated.

FRANK E. JOHNSON,
Acting Director.

[F.R. Doc. 60-3516; Filed, Apr. 15, 1960; 8:50 a.m.]

Office of the Secretary

PALA INDIAN RESERVATION, SAN DIEGO COUNTY, CALIF.

Ordinance Legalizing the Introduction, Sale or Possession of Intoxicants

Pursuant to the act of August 15, 1953 (Pub. Law 277, 83d Congress, 1st Session), I certify that the following ordinance relating to the application of the Federal Indian liquor laws on the Pala Indian Reservation, San Diego County, California, was duly adopted on August 15, 1959, by a general council meeting of the Pala Band of Mission Indians which has jurisdiction over the area of Indian country included in the ordinance:

Whereas Public Law 277, 83d Congress, approved August 15, 1953, provides that sections 1154, 1156, 3113, 3488, and 3618 of Title 18, United States Code, commonly referred to as the Federal Indian liquor laws, shall not apply to any act or transaction within any area of Indian country provided such act or transaction is in conformity with both the laws of the State in which such act or transaction occurs and with an ordinance duly adopted by the tribe having jurisdiction over such area of Indian country, certified by the Secretary of the Interior, and published in the FEDERAL REGISTER.

Therefore, be it resolved that the introduction, sale or possession of intoxicating beverages shall be lawful within the Indian country under the jurisdiction of the Pala Band: *Provided,* That such introduction, sale or possession is in conformity with the laws of California.

Be it further resolved that any tribal laws, resolutions or ordinances heretofore enacted which prohibit the sale, introduction or possession of intoxicating beverages are hereby repealed.

ROGER ERNST,
Assistant Secretary of the Interior.

APRIL 11, 1960.

[F.R. Doc. 60-3472; Filed, Apr. 15, 1960; 8:47 a.m.]

[Order 2848]

BONNEVILLE POWER ADMINISTRATION

Negotiation of Contracts for Experimental Conductor, Fittings, and Hardware

SECTION 1. *Determination.* The Bonneville Power Administration is considering the desirability of the operation of transmission lines at voltages in excess of 345 kv. Existing standard types of conductor are not satisfactory for operation at the higher voltages. In order to pursue the investigation, the Administration must contract for the manufacture and furnishing of experimental conductor and related fittings and hardware. Accordingly, I determine that contracts which are made for that purpose in the exercise of the authority granted by this order are contracts for the manufacture and furnishing of property for experimentation within the meaning of section 302(c)(11) of the Federal Property and Administrative Services Act of 1949, as amended (41 U.S.C. sec. 252(c)(11)).

SEC. 2. *Delegation.* The Bonneville Power Administrator is authorized, subject to section 3 of this order, to exercise the authority delegated by the Administrator of General Services to the Secretary of the Interior (24 F.R. 1921) to negotiate without advertising contracts totalling not more than $75,000 under section 302(c)(11) of the Federal Property and Administrative Services Act of 1949, as amended, for experimental conductor and related fittings and hardware for use in determining the desirability of the operation of transmission lines at voltages in excess of 345 kv.

SEC. 3. *Exercise of authority.* The authority delegated by section 2 of this order shall be exercised in accordance with the applicable limitations in the Federal Property and Administrative Services Act of 1949, as amended, and in accordance with applicable policies, procedures and controls prescribed by the General Services Administration and the Department of the Interior. The authority delegated by this order does not include authority to make advance payments under section 305 of the act.

SEC. 4. *Redelegation.* The Bonneville Power Administrator may, in writing, redelegate or authorize written redelegation to a subordinate official or employee of the authority granted in section 2 of this order. Each such redelegation of this authority shall be published in the FEDERAL REGISTER.

FRED A. SEATON,
Secretary of the Interior.

APRIL 11, 1960.

[F.R. Doc. 60-3471; Filed, Apr. 15, 1960; 8:46 a.m.]

OFFICE OF MINERALS EXPLORATION

Delegation of Authority

The following material is a portion of the Departmental Manual and the numbering system is that of the Manual. Material that relates solely to internal management has not been included.

The following Secretary's orders or portions of orders are revoked:

Section 1(a), 2833 (23 F.R. 7554).

2834 (23 F.R. 7555).

This delegation shall become effective April 18, 1960.

211.6.1 *General authority.* The Director, Office of Minerals Exploration is authorized, except as provided in 200 DM 2.1 and 211 DM 6.2, to exercise the authority of the Secretary of the Interior pursuant to the act of August 21, 1958 (72 Stat. 700; 30 U.S.C. 641–643), and under regulations issued pursuant to the act of August 21, 1958 (supra).

211.6.2 *Limitations.* Authority to make reports and recommendations to Congress, as provided in section 5 of the act of August 21, 1958 (supra), is not delegated in the general authority listed in 211 DM 6.1.

211.6.3 *Defense functions.* Except as provided in 200 DM 2.1 and 211 DM 6.4 and in redelegations, which the Secretary may make or has continued, to agencies outside of the Department of the Interior, all functions and powers which are or may be vested in the Secretary of the Interior by delegations or redelegations issued pursuant to the Defense Production Act of 1950, as amended, or issued pursuant to any other law by virtue of authority delegated to him under the Defense Production Act of 1950, as amended, may be performed and exercised insofar as these functions and powers relate to domestic exploration for metals and minerals, by the Director, Office of Minerals Exploration.

211.6.4 *Limitations.* The delegations in 211 DM 6.3 are subject to the following limitations:

A. The Director is not authorized to redelegate any power or function to any person other than an officer or employee of the Office of Minerals Exploration.

B. Existing arrangements for Department representation on interagency and interdepartmental committees and boards dealing with defense functions are hereby confirmed, but the function of specifying the arrangements for such representation as may be necessary is reserved to the Secretary.

C. The function of establishing policies pertaining to defense matters involving two or more defense areas is reserved to the Secretary.

FRED A. SEATON,
Secretary of the Interior.

APRIL 13, 1960.

[F.R. Doc. 60-3517; Filed, Apr. 15, 1960; 8:50 a.m.]

HOUSING AND HOME FINANCE AGENCY

Public Housing Administration

DELEGATIONS OF FINAL AUTHORITY

List of Officials

Section II—*Delegations of Final Authority,* is amended as follows:

In paragraph C2 the list of officials is amended to read as follows:

Assistant Commissioner for Administration.
Comptroller.
Assistant Comptroller, Loans and Annual Contributions.
Chief, Loans and Annual Contributions Section.

Approved: April 8, 1960.

[SEAL] LAWRENCE DAVERN,
Acting Commissioner.

[F.R. Doc. 60-3470; Filed, Apr. 15, 1960; 8:46 a.m.]

Office of the Administrator

ACTING REGIONAL ADMINISTRATOR, REGION III (ATLANTA)

Designation

The following officers, listed by title, of Region III, Housing and Home Finance Agency (excluding persons designated to serve in an acting capacity), are hereby designated to act in the place and stead of the Regional Administrator for Region III, with the title of "Acting Regional Administrator", and with all the powers, functions, duties, and responsibilities delegated or assigned to the said Regional Administrator, in the event the Regional Administrator is unable to act by reason of his absence, illness, or other cause; provided that no officer designated below shall serve as "Acting Regional Administrator" unless every officer whose title precedes his in this designation is unable to act by reason of absence, illness, or other cause:

1. Regional Economist.
2. Regional Counsel.
3. Director, Administrative Management.

This designation supersedes the designation effective October 1, 1959, which is hereby revoked.

(Reorg. Plan No. 3 of 1947, 61 Stat. 954 (1947); 62 Stat. 1268, 1283 (1948), as amended, 12 U.S.C. 1958 ed. 1701c; Delegation of Authority effective June 4, 1952, 17 F.R. 5049 (June 4, 1952); Admin. Order, effective Dec. 23, 1954, 19 F.R. 9303 (Dec. 29, 1954)

Effective as of the 23d day of December 1959.

[SEAL] WALTER E. KEYES,
Regional Administrator.

[F.R. Doc. 60-3486; Filed, Apr. 15, 1960; 8:49 a.m.]

INTERSTATE COMMERCE COMMISSION

[Notice 297]

MOTOR CARRIER TRANSFER PROCEEDINGS

APRIL 13, 1960.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 179), appear below:

As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 20 days from the date of publication of this notice. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC 62748. By order of April 11, 1960, the Transfer Board approved the transfer to Garden State Storage Co., Inc., Hightstown, N.J., of a portion of Certificate in No. MC 17229, issued September 3, 1940, to Lincoln Storage Warehouses, a corporation, East Orange, N.J., authorizing the transportation of: Household goods, between points in Essex, Union, Passaic, Bergen, Hudson, Morris, and Somerset Counties, N.J., on the one hand, and, on the other, points in New York, New Jersey, Delaware, Maryland, Connecticut, Pennsylvania, and the District of Columbia. Louis B. Bruman, 117 Liberty Street, New York 6, N.Y., for applicants.

No. MC-FC 62749. By order of April 11, 1960, the Transfer Board approved the transfer to Lincoln Storage Warehouses, a corporation, East Orange, N.J., of Certificate in No. MC 74492, issued December 10, 1940, to Theodore R. Sargent, doing business as Sargents Express, Westfield, N.J., authorizing the transportation of: Household goods, between points in New Jersey, on the one hand, and, on the other, points in New York, Connecticut, Pennsylvania, Maryland, Delaware, Virginia, and the District of Columbia. Louis B. Bruman, 117 Liberty Street, New York 6, N.Y., for applicants.

No. MC-FC 62890. By order of April 11, 1960, the Transfer Board approved the transfer to Arthur C. Hawkins, doing business as J. R. Hatfield Transfer, Michigan City, Ind., of Permit No. MC 38214, issued July 8, 1941, to James Russell Hatfield, doing business as J. R. Hatfield, Michigan City, Ind., authorizing the transportation of: General commodities, excluding household goods, commodities in bulk, and other specified commodities, from Michigan City, Ind., to points in Indiana and Michigan within 25 miles of Michigan City, Ind. Robert W. Loser, attorney at law, 409 Chamber of Commerce Building, Indianapolis 4, Ind., for applicants.

No. MC-FC 63080. By order of April 11, 1960, the Transfer Board approved the transfer to James Ricciardi, Vincent Ricciardi, and Charles Ricciardi, a partnership, doing business as James Ricciardi & Sons, Staten Island, N.Y., of that portion of the operating rights issued to Omega Transport Company, Staten Island, N.Y., a corporation, in Certificate No. MC 32951, January 22, 1960, authorizing the transportation of roofing and building materials, metals, and asphalt, over irregular routes, between New York, N.Y., on the one hand, and, on the other, Trenton, N.J., Philadelphia, Pa., and points in Union and Monmouth Counties, N.J. Bert Collins, 140 Cedar Street, New York 6, N.Y., for applicants.

No. MC-FC 63082. By order of April 11, 1960, the Transfer Board approved the transfer to Capwell Trucking, Inc., Staten Island, N.Y., of the remaining portion of the operating rights issued to Omega Transport Company, a corporation, Staten Island, N.Y., in Certificate

No. MC 32951, January 22, 1960, authorizing the transportation of roofing and building materials, metals, and asphalt, over irregular routes, between New York, N.Y., on the one hand, and, on the other, points in Hudson, Essex, and Middlesex Counties, N.J. Bert Collins, 140 Cedar Street, New York 6, N.Y., for applicants.

No. MC–FC 63088. By order of April 8, 1960, the Transfer Board approved the transfer to Robert Bush, doing business as Robert Bush Truck Service, St. Louis, Mo., of Certificate No. MC 110082, issued May 4, 1959, to Morris Erlich, doing business as Junior-Fenton Express Company, St. Louis, Mo., authorizing the transportation of: General commodities, excluding household goods, commodities in bulk, and other specified commodities, between points in the St. Louis, Mo.-East St. Louis, Ill., commercial zone, as defined and, on the other, points in St. Louis County, Mo. Austin C. Knetzger, 722 Chestnut Street, St. Louis 1, Mo., for applicants.

No. MC–FC 63089. By order of April 11, 1960, the Transfer Board approved the transfer to Arway, Inc., Philadelphia, Pa., of Permits in Nos. MC 51102, MC 51102 Sub 1 and MC 51102 Sub 5, issued May 17, 1941, December 23, 1940 and March 3, 1947, respectively, to Emma Berger, doing business as L. Berger and Son, Philadelphia, Pa., authorizing the transportation of: Flaxseed, linseed oil, salad oil, and products of flaxseed and linseed, from Philadelphia, Pa., to points in New York, and New Jersey; linseed oil and salad oils in tank trucks from Philadelphia, Pa., to Baltimore, Md., and New Haven, Conn., and animal and vegetable tallows, animal greases, soap stock, fatty acids, oleic acid and whitealene, in bulk, in tank trucks between Philadelphia, Pa., on the one hand, and, on the other, Oella, and Bel Air, Md., and points within 2 miles thereof, Camden, and Newark, N.J., points within 15 miles of Newark and points in New York, N.Y. commercial zone as defined by the Commission: the substitution of transferee for transferor in No. MC 51102 Sub 7. Fred Bremier, Jr., c/o White and Williams, 1900 Land Title Building, Philadelphia 10, Pa., for applicants.

No. MC–FC 63092. By order of April 11, 1960, the Transfer Board approved the transfer to Al J. Fick, doing business as Winkelman & Fick Truck Line, Meta, Mo., of Certificate in No. MC 13440, issued July 12, 1949, to Ben J. Winkelman and Al J. Fick, a partnership, doing business as Winkelman and Fick Truck Line, Meta, Mo., authorizing the transportation of: General commodities, excluding household good, commodities in bulk, and other specified commodities between Meta, Mo., and points within 15 miles of Meta, on the one hand, and, on the other, St. Louis, Mo., and East St. Louis, Ill. Joseph R. Nacy, 117 West High Street, Jefferson City, Mo., for applicants.

No. MC–FC 63142. By order of April 11, 1960, the Transfer Board approved the transfer to Carter Enterprises, Inc., Elizabethton, Tenn., of Permits Nos. MC 112253 Sub 1 and MC 112253 Sub 2 issued December 19, 1951 and December 20, 1951, respectively, in the name of Berney Ray, Elizabethton, Tenn., authorizing the transportation over irregular routes of brick, concrete building blocks, and cinder building blocks, from Kingsport, Tenn., to 27 specified counties in North Carolina; and from Johnson City, Tenn., to 21 specified counties in North Carolina; and, concrete building blocks, cinder building blocks, and brick, over irregular routes, from Johnson City and Kingsport, Tenn., to points in 14 specified Virginia counties. Robert E. Little, P.O. Box 294, Elizabethton, Tenn., for transferee and Berney Ray, West Elk Avenue, Elizabethton, Tenn., for transferor.

[SEAL] HAROLD D. McCOY, *Secretary.*

[F.R. Doc. 60–3477; Filed, Apr. 15, 1960; 8:47 a.m.]

CUMULATIVE CODIFICATION GUIDE—APRIL

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